

REFERENCE TITLE: PILT program; SRS; full funding

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SCM 1010

Introduced by
Senators Griffin, Allen

A CONCURRENT MEMORIAL

URGING THE UNITED STATES CONGRESS TO PROVIDE FULL LONG-TERM FUNDING FOR THE
PAYMENT IN LIEU OF TAXES PROGRAM AND TO REAUTHORIZE SECURE RURAL SCHOOLS AND
COMMUNITY SELF-DETERMINATION ACT FUNDING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 To the Congress of the United States of America:

2 Your memorialist respectfully represents:

3 Whereas, the State of Arizona is composed of 113,417 square miles of
4 land, of which 17% is managed by the Bureau of Land Management, 15% is
5 managed by the United States Forest Service, 2% is managed by the United
6 States Fish and Wildlife Service, 4% is managed by the National Park Service,
7 4% is military land and 28% is tribal land. Thus, much of the land in
8 Arizona is unavailable for economic development and is not part of the
9 property tax base; and

10 Whereas, counties are required to provide law enforcement, search and
11 rescue, emergency services, road building and maintenance, and other
12 community services on, or associated with, tax-exempt federally managed
13 public lands; and

14 Whereas, the Payment in Lieu of Taxes (PILT) program was established in
15 1976 to offset costs incurred by counties for services provided to the
16 federal government and to the users of federally managed lands located within
17 a county; and

18 Whereas, the national average PILT payment in fiscal year 2014 was
19 \$0.72 per acre, which is far below the amount that federally managed lands
20 would return through both value-based taxation and economic development;
21 and

22 Whereas, Congress has been unable to pass a long-term funding solution
23 for the PILT program since 2008 and has instead passed last-minute one-year
24 extensions, causing great uncertainty about county finances and services as
25 well as rural school funding; and

26 Whereas, funding for fiscal year 2015 PILT was included in the
27 Consolidated and Further Continuing Appropriations Act and the Carl Levin and
28 Howard P. "Buck" McKeon National Defense Authorization Act, totaling \$442
29 million, but the fate of fiscal year 2016 and future years is still unknown;
30 and

31 Whereas, a lack of certainty for PILT funding places the large,
32 unsustainable burden of providing services on federally managed lands
33 squarely on the backs of local county taxpayers, while the presence of that
34 federally managed land creates barriers to economic opportunities; and

35 Whereas, rural communities and schools in and around national forests
36 have historically relied on a share of receipts from timber harvests to
37 support education services and roads; and

38 Whereas, in the 1980s, federal restrictions substantially diminished
39 the revenue-generating timber harvests permitted in these forests; and

40 Whereas, the Secure Rural Schools and Community Self-Determination Act
41 (SRS) was passed in 2000 to stabilize and transition payments to counties and
42 schools away from the declining and unreliable share of timber sales; and

43 Whereas, the failure of Congress to honor the more than 100-year-old
44 contract between the federal government and heavily forested communities by

1 not reauthorizing SRS funding for fiscal years 2014 and 2015 will create
2 budgetary shortfalls for rural counties and school districts; and

3 Whereas, failure to immediately secure SRS funding for fiscal years
4 2014 and 2015 and PILT funding for fiscal year 2016 and into the future for
5 Arizona counties will critically impact the local budget process and
6 structural solvency of counties and the public school systems and will
7 substantially compromise their ability to provide essential services, such as
8 health, safety and welfare; and

9 Whereas, the federal government has the duty to reimburse local
10 jurisdictions for the presence of federally managed public lands in a
11 reliable and consistent manner.

12 Wherefore your memorialist, the Senate of the State of Arizona, the House of
13 Representatives concurring, prays:

14 1. That the United States Congress provide full long-term funding for
15 the PILT program to help create financial stability within Arizona's counties
16 and public school system under the SRS.

17 2. That the United States Congress immediately reauthorize SRS funding
18 for fiscal years 2014 and 2015 and work toward a long-term solution.

19 3. That the United States Congress work with the State of Arizona and
20 county governments to identify and implement policies to promote economic
21 development on, or associated with, federally managed lands.

22 4. That the Secretary of State of the State of Arizona transmit a copy
23 of this Memorial to the President of the United States, the President of the
24 United States Senate, the Speaker of the United States House of
25 Representatives and each Member of Congress from the State of Arizona.