

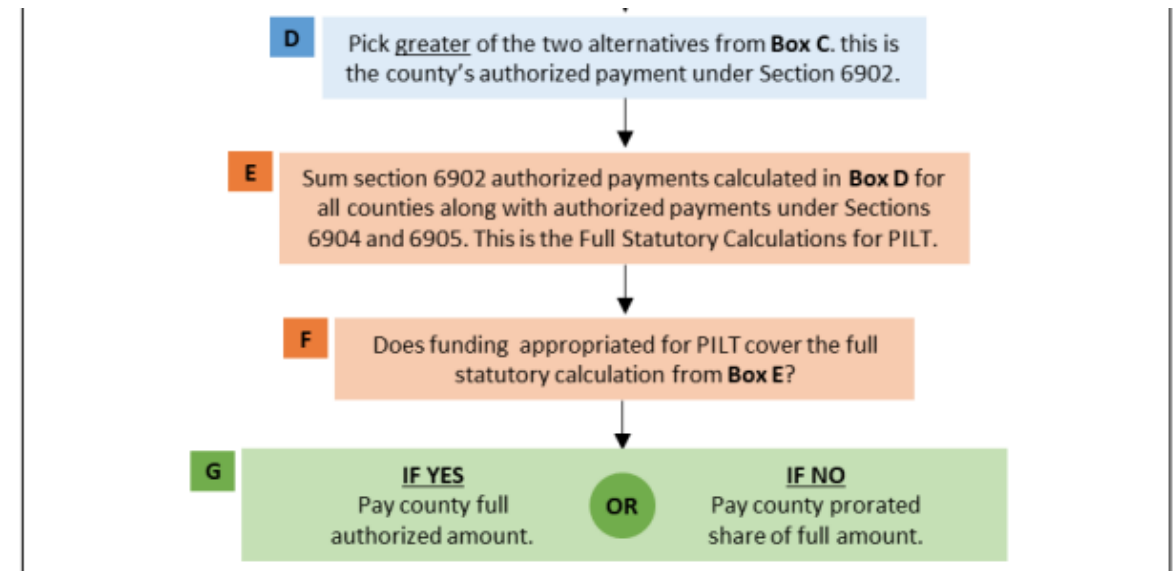
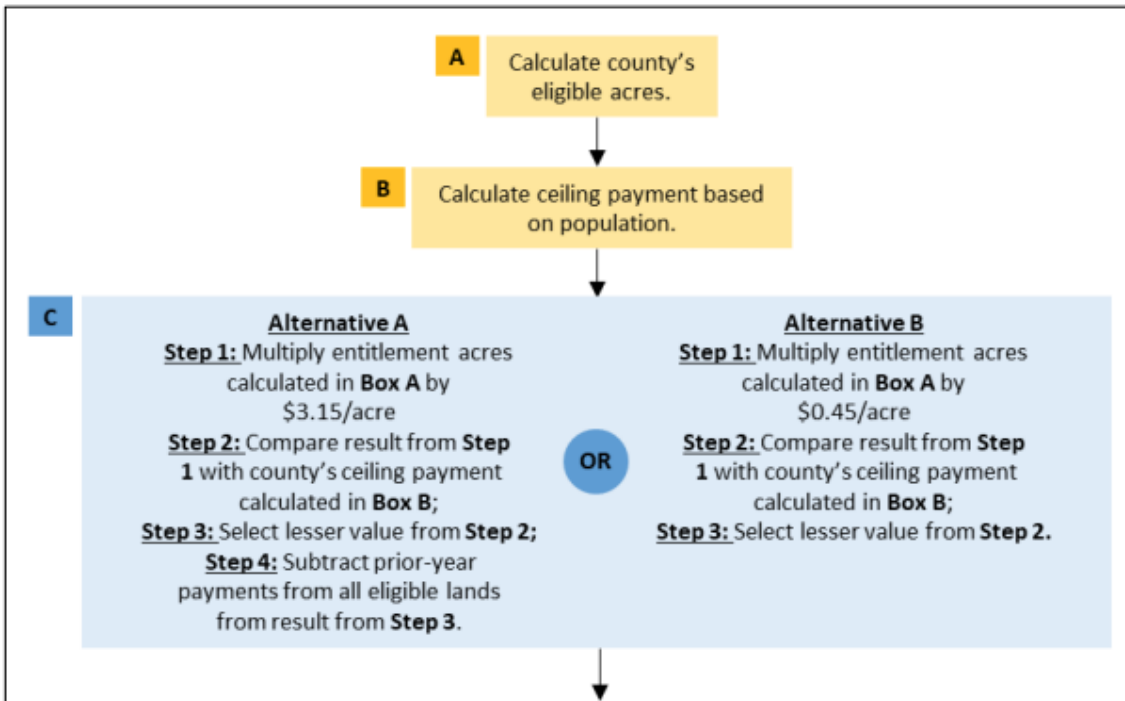
FEDERAL LANDS IN ALASKA

- **61% of Alaska (222 million acres) is federally owned:**
 - USDA Forest Service: 9.8%
 - National Park Service: 23.4%
 - U.S. Fish and Wildlife Service: 34.2%
 - BLM: 32%
 - Department of Defense: 0.6%
- **This is an area greater than the entire State of Texas!**
- **Trend in federal estate is slowly declining:** example – 360,000 acres of federal land awarded to University of Alaska to fulfill land grant.
- **Recognizing the financial impact of the inability of local governments to collect property taxes on federally owned land, Congress created the PILT (Payment in Lieu of Taxes) program in 1976.** The formula used to compute the payments is contained in the PILT Act and is based on population, revenue-sharing payments, and the amount of Federal land within an affected county.

ALASKA PILT ALLOCATIONS

- **19 Alaska Boroughs and 11 Census Areas [received \\$35.4 million](#) in PILT payments for FY 2023**
 - Yakutat Borough (\$149,168) to Matanuska Susitna Borough (\$4,212,725)
- **PILT payments are based on the following formula under statute ([Sec. 6902](#)):**
 - Number of federally owned acres (Interior Department, Forest Service, U.S. Army Corps of Engineers) within county/borough
 - A per-acre calculation determined by the greater of two alternatives (2023 figures)
 - ***Alternative A (standard rate): \$3.15/acre, reduced by the amount of prior-year payments***
 - ***Alternative B (minimum provision): \$0.45/acre***
 - Population-based ceiling (FY 2023 amounts):
 - *\$212.03 (5,000 pop.) to \$84.81 (50,000)*
 - Prior-year payments (oil/gas/mineral development on federal lands, federal timber harvests, Secure Rural Schools payments, etc.)
 - Amount Congress appropriates

Figure 2. Steps in Calculating PILT Section 6902 Payments (FY2023 Rates)



Sources: CRS, based on PILT statute (31 U.S.C. §§6901-6907). Payment rates for FY2023 can be found in Department of the Interior, *Fiscal Year 2023 Payments In Lieu of Taxes, National Summary*, June 2023, pp. 9-11, available at <https://www.doi.gov/pilt>.

Source: *The Payments in-Lieu of Taxes (PILT) Program: An Overview*, Congressional Research Service: <https://crsreports.congress.gov/product/pdf/R/R46260/15>

UNORGANIZED BOROUGH PILT ALLOCATIONS

- Thanks to a 1996 amendment to the federal PILT program championed by U.S. Senator Ted Stevens, who worked with DCRA staff on the matter, **11 Census Areas within the residual Unorganized Borough of Alaska are eligible for PILT payments.**
- State of Alaska Administrative Code 3 AAC 152.010 – 152.900 governs the **distribution of these PILT payments to eligible cities within the Unorganized Borough.** For more info see: <https://www.commerce.alaska.gov/web/dcra/GrantsSection/PaymentinLieuofTaxes.aspx>

• A sample of the 2024 payments include:

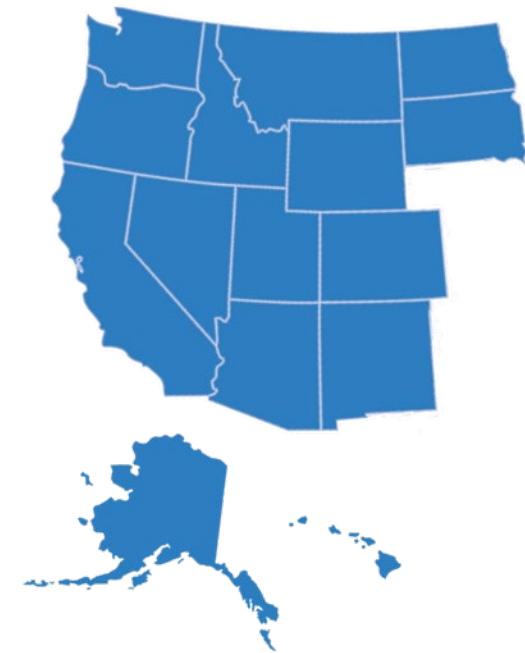
• City of Aniak	\$85,436	City of Pilot Station	\$108,540
• City of Bethel	\$1,081,842	City of Shishmaref	\$92,286
• City of Chevak	\$162,724	City of Tanana	\$66,084
• City of Diomede	\$12,826	City of Unalaska	\$921,818
• City of Delta Junction	\$1,213,972	City of Valdez	\$763,175
• City of Emmonak	\$148,009	City of Whittier	\$48,881
• City of Gustavus	\$152,913	Alaska Gateway S.D.	\$59,208
• City of Huslia	\$92,755	Copper River S.D.	\$498,051
• City of Klawock	\$239,837		
• City of Nenana	\$115,277		

NACo HISTORY

- **Founded in 1935, NACo represents and provides services to all 3,065 counties, parishes and boroughs nationwide.**
- **More than 80-percent of counties nationwide are NACo members. Alaska is active in NACo and WIR.**
- **NACo is a full-service organization:**
 - Legislative advocacy
 - Technical and public affairs assistance
 - Enterprise services
 - Policy and best practices research
- **Affiliate organizations (county engineers, sheriffs, etc.)**
- **Standing Committees and Policy Steering Committees, which determine the policy positions within our [American County Platform](#)**

HISTORY OF THE WESTERN INTERSTATE REGION

- Roots of [Western Interstate Region](#) (WIR) date to the 1940s with the establishment of the Interstate Association of Public Lands Counties (IAPLC)—headquartered in Oregon
 - “Western Region of NACo” (WR) founded in 1954: Utah, Wyoming, Idaho, Washington, New Mexico and California.
 - In the mid-1960s, WR and IAPLC worked together, along with the NACo Public Lands Steering Committee, on major public lands and environmental legislation.
 - In 1978, both organizations formally joined NACo as under the WIR name.
 - Alaska is one of the original 15 WIR member states—Kenai Peninsula Borough Pres. Brent Johnson currently serves on WIR Board.
 - Minnesota became first Associate Member state in 2022 at WIR Conference in Anchorage.



POLICY POSITIONS ADVOCACY EFFORTS

- Permanent funding of PILT has been the top priority for WIR and NACo’s Public Lands Steering Committee for several years now.
- Since 2018 have secured full, mandatory funding on an annual basis through the appropriations process.
- **PILT Fly-In—held annually for about the past decade every September.**
 - Around 30 county officials from across the U.S. fly to D.C. to participate in advocacy day efforts on Capitol Hill
 - Meet with key congressional and committee leaders to advocate full PILT and SRS funding
 - 2023: met with 55 Representatives and Senators’ offices from both parties to ensure bipartisan, bicameral support during the FY 2024 appropriations negotiations
- **Rep. Brittany Pettersen (D-CO) and John Duarte (R-CA) introduced [H.R. 5929, Permanently Authorizing PILT Act](#) in October.**
 - Representative Peltola is a cosponsor
 - Working to secure a Senate version of the bill

POLICY POSITIONS ADVOCACY EFFORTS

- **Secure Rural Schools (SRS) payments go to National Forest counties, parishes and boroughs to make up for lost timber revenue from the decreased number of harvests on federal forests. Extended through FY 2023 under the Bipartisan Infrastructure Law.**
- **Provides approximately \$270 million to 700 counties and school districts nationwide, including [\\$13 million to Alaska boroughs](#). Around \$25 million in SRS is paid to a small sliver of counties in Oregon through the BLM.**
- **Payments are broken into three titles:**
 - Title I—county roads and schools
 - Title II—projects on federal lands through Resource Advisory Committees
 - Title III—emergency services/patrols on federal lands, broadband in schools
- **Sen. Mike Crapo (R-Idaho) introduced S. 2581, which would reauthorize SRS for three additional years (through FY 2026). Subcommittee hearings held in October.**
 - Both Alaska Senators are cosponsors
- **Rep. Joe Neguse (D-Colo.) introduced H.R. 5030, the House version of the SRS reauthorization bill.**
 - Rep. Peltola is a cosponsor

POLICY POSITIONS ADVOCACY EFFORTS

- **Local Assistance and Tribal Consistency Fund (LATCF) was established under the American Rescue Plan Act in 2021.**
- **The LATCF provides \$1.5 billion in two equal payments of \$750 million for FYs 2022 and 2023 to “eligible revenue sharing counties” under the American Rescue Plan Act (ARPA)**
 - \$54 million split into two equal payments for Alaska boroughs
- **NACo and state associations worked with Congress and the administration since to ensure the distribution formula better reflects the original intent to support public lands counties**
- **NACo Public Lands Steering Committee Chairman Todd Devlin submitted a proposed distribution formula in 2021 to Treasury based largely on the PILT formula**
- **State associations from the west sent a letter to Treasury supporting NACo’s position**
- **On September 29, 2022 (one day before statutory deadline) the U.S. Department of the Treasury announced the release of first tranche of LATCF counties**
 - Treasury’s distribution formula largely similar to formula NACo submitted
 - Second \$750 million tranche currently being distributed—recipients must reapply

AML POSITIONS ON PILT

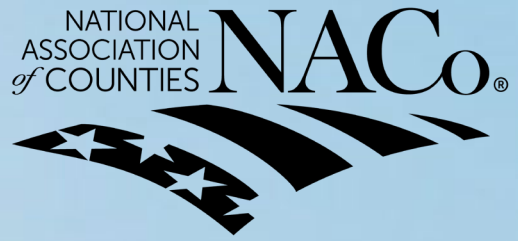
- In Resolution 2020-11, Alaska Municipal League members supported “**reform of the PILT funding formula to extend multipliers to smaller population counties (boroughs)**”, including through federal legislation as that addressed within the Small County PILT Parity Act”.
- The resolution identified the issue of the large number of visitors to federal lands (about 3 million), but the payments are calculated on the number of year-round residents (in many cases under 2,000 people). **The needed services generated by high visitation is not factored into the payment formula.**
- In the same resolution, AML supports **permanent reauthorization of the PILT program.**

NATIONAL CENTER FOR PUBLIC LANDS COUNTIES

- **Approximately \$5 million in contributions pledged and secured**
 - Enrich the understanding of national, state, tribal and county policymakers and influencers of the unique policy and practice issues facing America’s county officials in areas with federal public lands
 - Curate the policy and practice research, case studies, public forums, and learning networks necessary to advance and inform our nation’s policies and practices (including at the federal, state and local levels) impacting public lands counties
 - Deepen intergovernmental relationships and dialogue on the intersection of federal, state and local policymaking and practices across the broad range of issues facing public lands counties.
- **December 2023:** meeting of the advisory board to determine next steps, hiring staff and kicking off research efforts
- **February 2024: Public Lands 101 workshop at NACo Legislative Conference—inaugural event of NCPLC**

UPCOMING 2024 NACo EVENTS

- **NACo Legislative Conference**
 - February 10-13, 2024
 - Washington, D.C.
- **Western Interstate Region Conference—registration to launch in January**
 - May 8-10, 2024
 - Mariposa County, Calif.
- **NACo Annual Conference**
 - July 12-15, 2024
 - Hillsborough County (Tampa), Fla.
- **Annual PILT Fly-In**
 - September 10-12, 2024
 - Washington, D.C.



QUESTIONS?