

108TH CONGRESS
1ST SESSION

H. R. 380

To provide full funding for the payment in lieu of taxes program for the next five fiscal years, to protect local jurisdictions against the loss of property tax revenues when private lands are acquired by a Federal land management agency, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 27, 2003

Mr. RADANOVICH introduced the following bill; which was referred to the Committee on Resources, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide full funding for the payment in lieu of taxes program for the next five fiscal years, to protect local jurisdictions against the loss of property tax revenues when private lands are acquired by a Federal land management agency, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representatives*
- 2 *of the United States of America in Congress assembled,*
- 3 **SECTION 1. SHORT TITLE.**
- 4 This Act may be cited as the “Property Tax Endow-
- 5 ment Act of 2003”.

1 **SEC. 2. FULL FUNDING FOR PAYMENTS IN LIEU OF TAXES.**

2 Section 6906 of title 31, United States Code, is amend-

3 ed—

4 (1) by striking “Necessary” and inserting “(a) IN

5 GENERAL.—Necessary”;

6 (2) by striking “Amounts” and inserting “Except

7 as provided in subsection (b), amounts”; and

8 (3) by adding at the end the following new sub-

9 section:

10 “(b) FULL FUNDING.—For fiscal years 2004 through

11 2008, amounts necessary to carry out this chapter shall

12 be made available to the Secretary of the Interior, out of

13 any funds in the Treasury not otherwise appropriated and

14 without further appropriation, for obligation and expendi-

15 ture in accordance with this chapter.”.

16 **SEC. 3. PROTECTION OF LOCAL TAX BASE AS PART OF FED-**

17 **ERAL LAND ACQUISITION.**

18 (a) ELECTION OF PAYMENT TO OFFSET REVENUE

19 LOSS.—

20 (1) NOTIFICATION OF LOCAL GOVERNMENT.—

21 Whenever a Federal land management agency ac-

22 quires privately owned land by purchase, exchange,

23 or donation, the head of the agency shall notify the

24 unit of general local government within whose juris-

25 diction the land lies.

12 (b) TREATMENT OF LAND AFTER ONE-TIME PAY-
13 MENT —

14 (1) IN GENERAL.—If a unit of general local gov-
15 ernment receives, pursuant to an election under sub-
16 section (a), a one-time payment with respect to land
17 acquired by a Federal land management agency, the
18 land shall not be treated as entitlement land for pur-
19 poses of chapter 69 of title 31, United States Code,
20 notwithstanding any changes that may thereafter
21 occur in the value of the land, interest rates, tax-
22 ation rates, or any other economic factor.

(2) CONFORMING AMENDMENT.—Section 6901(1) of title 31, United States Code, is amended by adding at the end the following:

1 “Such term does not include any land with respect to
2 which a unit of local government receives a one-time pay-
3 ment under the Property Tax Endowment Act of 2003.”.

4 (c) APPLICATION.—

5 (1) IN GENERAL.—This section shall apply to
6 any land acquisition by a Federal land management
7 agency completed after September 30, 1998.

8 (2) APPLICATION TO PRIOR ACQUISITION.—For
9 purposes of the application of this section to an ac-
10 quisition of land by a Federal agency before the date
11 of the enactment of this Act, the head of the agency
12 is deemed to have notified the unit of general local
13 government concerned in accordance with paragraph
14 (1) on the date of the enactment of this Act.

15 (3) NO EFFECT ON TITLE.—This subsection
16 shall not affect any right, title, or interest of the
17 United States in or to land.

18 **SEC. 4. ONE-TIME PAYMENT.**

19 (a) IN GENERAL.—If a unit of general local govern-
20 ment elects under section 3(a)(2) to receive a one-time
21 payment with respect to land acquired by a Federal land
22 management agency—

23 (1) the head of the Federal agency shall deter-
24 mine and make such payment in accordance with
25 this section; and

3 (b) AMOUNT OF PAYMENT.—

6 (A) shall be sufficient to yield a revenue
7 stream in perpetuity equal to the property taxes
8 currently required to be paid with respect to the
9 land, determined as an annuity amount based
10 on an interest rate equal to the current average
11 yield on outstanding obligations of the United
12 States with remaining periods of maturity of 10
13 years on the date of acquisition of the land by
14 the Federal agency;

15 (B) shall be determined based on the rate
16 of tax and land valuation in effect for the land
17 under the property tax laws of the unit of gen-
18 eral local government that apply in the local tax
19 year in which the land is acquired by the Fed-
20 eral land management agency; and

21 (C) shall include amounts to offset prop-
22 erty taxes that were attributable to—

23 (i) improvements on the acquired
24 lands; or

1 (ii) the use of the lands for business
2 enterprise.

21 (c) TIME FOR PAYMENT.—The payment required
22 under subsection (a) in connection with a land acquisition
23 shall be made before the Federal land management agency
24 takes possession of the land.

25 (d) USE OF PAYMENT.—

11 SEC. 5. RELATIONSHIP OF ONE-TIME PAYMENTS TO PAY-
12 MENTS IN LIEU OF TAXES.

13 A one-time payment received by a unit of general
14 local government under this Act shall not be deducted or
15 in any way used to offset payments required to be made
16 to the unit under chapter 69 of title 31, United States
17 Code.

18 SEC. 6. DEFINITIONS.

19 In this section:

1 (2) FEDERAL LAND MANAGEMENT AGENCY.—

2 The term “Federal land management agency”
3 means each of the following:

4 (A) The Forest Service.

5 (B) The Bureau of Land Management.

6 (C) The National Park Service.

(D) The United States Fish and Wildlife Service.

9 (3) UNIT OF GENERAL LOCAL GOVERNMENT.—

10 The term “unit of general local government” has the
11 meaning given the term in section 6901(2) of title
12 31, United States Code.