

NACO RESOLUTION ADOPTED JULY 15, 2008

1 on permit renewals, there is little time or incentive to do all the up-front work required and small chance of success
2 in approved funding.

3 The Range Improvement Fund (8100) is funding that has been counted on year in and year out because its
4 origin is grazing fee receipts and because of a wise provision in the Taylor Grazing Act, FLPMA, and Public
5 Rangelands Improvement Act that returns a portion of the receipts to the district where it was collected for the
6 specific purpose of funding on the ground improvements.

7 This funding has allowed BLM to fund personnel that work directly on such projects, fund equipment like
8 backhoes, road graders, dozers, semi trucks, etc., which are used in the completion of such projects. It also allows
9 BLM to plan and look down the road with some sense of permanency, which CCS funding will not allow. While
10 8100 funding is usually partnered with cooperater funding, it does not require a dollar- for-dollar match, and it does
11 not require competition on the state and national level.

12 If there is no 8100 account, the ability for BLM to fund washed out-fences, replace catchments aprons, install
13 cattle guards, keep or maintain equipment, or the numerous other projects that support rangeland management
14 activities will simply be non existent, because appropriated funding is not sufficient to do anything more than fund
15 personnel.

16 **Fiscal/Urban/Rural Impacts:** Without the 8100 account, the ability for the BLM to fund washed out-fences,
17 replace catchments aprons, install cattle guards, keep or maintain equipment, or the numerous other projects that
18 support rangeland management activities will simply be non existent, because appropriated funding is not sufficient
19 to fund improvements.

20 21 **Resolution to Increase Federal Mineral Lease Payment to Counties**

22 **Issue:** Distribute a portion of the federal mineral leasing revenues directly to the county from where the
23 revenue was extracted.

24 **Adopted policy:** NACo supports an amendment to the Federal Mineral Leasing Act so that an additional 5
25 percent from the federal portion (50 percent) of mineral lease revenue is returned to the county from where the
26 mineral was extracted, and the historical balance and of 50/50 split be restored.

27 **Background:** In 1920, the Federal Mineral Leasing Act was passed. This Act authorizes and governs leasing of
28 public lands for developing deposits of coal, phosphates, oil, gas and other hydrocarbons and sodium. Revenues
29 generated by the leases, royalties and other categories of receipts resulting from the exploration and extraction of
30 these non-renewable resources once supported roads, schools, the Bureau of Reclamation and the US Treasury.

31 In 1976, passage of the Federal Land Policy Management Act (FLPMA) changed the distribution of mineral
32 revenues so that 50 percent of the total revenues went back to the state in which the revenue was actually generated.
33 Forty percent of the remaining 50 percent is funneled to the federal reclamation fund and the remaining 10 percent
34 goes to the US Treasurer. (This distribution formula does not apply to Alaska.)

35 Under the FLPMA, states determine the most appropriate way of distributing their share of the mineral revenue.
36 Priority, however, must be given to those local governments "socially or economically impacted by development of
37 minerals leased under this Act for (i) planning, (ii) construction and maintenance of public facilities, and (iii)
38 provision of public service."

39 **Fiscal/Urban/Rural Impacts:** This is almost exclusively a rural issue as mineral extraction on federal lands
40 occurs primarily in rural areas with low population density.

41 42 **Resolution on Hazardous Fuels Emergency**

43 **Issue:** Current Federal policy allows accumulation of biomass that when not properly harvested creates
44 unhealthy wildfire conditions.

45 **Adopted policy:** The National Association of Counties calls on Congress to grant a Governor authority to
46 declare a state of emergency when the severity of fire danger from fuels on identified federal lands within that state
47 pose a significant threat to public health and safety.

48 **Background:** Change in Federal policy regarding harvest of timber from our National Forests has created an
49 unhealthy forest. Many National Forests are clogged with diseased trees that are dead and many lodgepole pines
50 have reached their expected life span and are dying. Overall temperatures are rising in the west and we are
51 experiencing a prolonged drought. Conservative estimates show that perhaps 140 million acres of National Forest
52 timberland in the west is in ecological condition Class 3 or 2: meaning it is ready to burn or soon will be. Much of
53 the west chokes each summer as smoke fills the air and breathing becomes difficult. With the loss of the timber
54 industry, tourism was supposed to save us from economic calamity but with smoke filled skies tourists are not
55 interested in putting their families in unhealthy situations.

1 **Fiscal/Urban/Rural Impacts:** Healthy forests, carbon sequestration, air quality, improved local economies,
2 support for innovations in alternative fuels and renewable forest products.
3

4 **Resolution on Wilderness Bills**

5 **Issue:** Wilderness bills with large impacts on counties are introduced with no county input.

6 **Adopted policy:** NACo requests that counties should be fully involved in the development of any bills
7 pertaining to wilderness designation within any affected county's jurisdiction.

8 **Background:** Eastern Senators and Representatives who possess limited understanding or concern with respect
9 to western issues or economies continue to sponsor wilderness bills in Congress. These bills directly affect the
10 customs, culture, and economy of counties who have no input in the bill process. As an example, H.R. 1919,
11 America's Red Rock Wilderness Act of 2007, proposes over nine million acres of BLM wilderness in Utah. And
12 HR1975-Northern Rockies Ecosystem Protection Act - Designates the following lands in Idaho, Montana, Oregon,
13 Washington, and Wyoming as wilderness and components of the National Wilderness Preservation System
14 (System): (1) Greater Glacier/Northern Continental Divide ecosystem; (2) Greater Yellowstone ecosystem; (3)
15 Greater Salmon/Selway ecosystem; (4) Greater Cabinet/Yaak/Selkirk ecosystem (5) Greater Hells Canyon
16 ecosystem; (6) Islands in the Sky Wilderness; and (7) Blackfeet Wilderness.

17 **Fiscal/Urban/Rural Impacts:** Congressional Bills designating wilderness in counties has an enormous effect
18 on the customs, culture, and economy of affected counties.
19

20 **Resolution on Assessing Concessionaire Property Taxes on Federally Owned Lands**

21 **Issue:** Tax Assessment for Concessionaires on Federally Owned Lands.

22 **Adopted policy:** NACo supports legislation or regulation directing Federal land management agencies to
23 provide that all concessionaires pay local taxing jurisdictions annual payments in lieu of taxes equal to the property
24 taxes that would have been paid by any other commercial business in the county.

25 **Background:** In a decision filed in February, 2001, the Arizona Court of Appeals held that improvements
26 constructed and operated by a concessionaire on land owned by the United States government therefore, were not
27 subject to ad valorem taxation. Havasu Springs Resort Company v. La Paz County, 199 Ariz. 349, 18 P.3d 143 (Ct.
28 App.2001), review denied. The Court's decision was based on a review of the contract between the concessionaire
29 and the BLM, with the Court finding that the concessionaire's interest in the improvements was merely possessory.

30 In August, 2002, ARAMARK Sports and Entertainment Services, Inc., the concessionaire operation
31 improvements on federal land at the Glen Canyon National Recreation Area at Lake Powell in Coconino County,
32 filed a claim that they had been erroneously assessed property tax on those improvements, citing the recently
33 decided Havasu Springs case. In 2003, Xanterra Parks and Resorts, the concessionaire at Grand Canyon National
34 Park, followed suit, filing a similar claim for the 2004 tax year. Xanterra has also filed suit in the Arizona Tax Court
35 for prior years. All of these properties were removed prospectively from the county tax rolls, but the County is
36 litigating the Xanterra appeals for prior years.

37 The Tax Court has ruled that should the County lose on appeal, it may be required to refund substantial taxes
38 plus interest. The impacts of the Court of Appeals ruling in Havasu Springs and subsequent Tax Court rulings
39 regarding Xanterra are significant in two respects. First, the county and taxing districts must find ways to make up
40 for lost funding in future years.

41 Secondly, once judgments in the cases are final, they may be required to refund the substantial amount of taxes
42 with interest. These impacts are particularly onerous for the smaller taxing districts, notably the local school
43 districts.

44 The Arizona Department of Education can help defray a portion of the refund amounts and future lost revenue
45 through its state aid equalization funds, but that puts an additional burden on the state's taxpayers.

46 **Fiscal/Urban/Rural Impacts:** Significant budget and revenue losses to taxpayers, counties, and county
47 departments.
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49 **Resolution to Support BLM's New Grazing Regulations**

50 **Issue:** The Bureau of Land Management (BLM) is making regulatory changes aimed at improving the Bureau's
51 management of public land grazing in the rural west.

52 **Adopted policy:** NACo supports the intent of BLM's grazing regulations and efforts to streamline the process
53 associated with livestock grazing.