

SENATE JOINT RESOLUTION NO. 26

INTRODUCED BY J. BOHLINGER

BY REQUEST OF THE SENATE LOCAL GOVERNMENT STANDING COMMITTEE

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA STRONGLY URGING THE UNITED STATES CONGRESS TO APPROPRIATE JUST COMPENSATION TO THE STATE OF MONTANA FOR THE IMPACT OF FEDERAL LAND OWNERSHIP ON THE STATE'S ABILITY TO FUND PUBLIC EDUCATION.

WHEREAS, for many years western states have grappled with the challenge of providing the best education for their citizens; and

WHEREAS, western states face unique challenges in achieving this goal; and

WHEREAS, from 1979 to 1998, the percentage change in expenditures per pupil in 13 western states was 28% compared to 57% in the remaining states; and

WHEREAS, in 2000 and 2001, the pupil-to-teacher ratio in 13 western states averaged 17.9 to 1 compared with 14.8 to 1 in the remaining states; and

WHEREAS, the conditions in western states are exacerbated by projections that enrollment will increase by an average of 7.1% compared to an average decrease of 2.6% in the rest of the nation; and

WHEREAS, despite the wide disparities in expenditures per pupil and pupil-to-teacher ratio, western states tax at a comparable rate and allocate as much of their budgets to public education as the rest of the nation; and

WHEREAS, the ability of western states to fund education is directly related to federal ownership of state lands; and

WHEREAS, the federal government owns an average of 51.9% of the land in 13 western states compared to 4.1% in the remaining states; and

WHEREAS, the enabling acts of most western states promise that 5% of the proceeds from the sale of federal lands will go to the states for public education; and

WHEREAS, a federal policy change in 1977 ended these sales, resulting in an estimated \$14 billion in lost public education funding for western states; and

WHEREAS, the ability of western states to fund public education is further impacted by the fact that state and local property taxes, which public education heavily relies upon to fund education, cannot be assessed on

federal lands; and

WHEREAS, the estimated annual impact of this property tax prohibition on western states is over \$4 billion; and

WHEREAS, the federal government shares only half of its royalty revenue with the states; and

WHEREAS, royalties are further reduced because federal lands are less likely to be developed, and federal laws often place stipulations on the use of state royalty payments; and

WHEREAS, the estimated annual impact of royalty payment policies on western states is over \$1.86 billion; and

WHEREAS, much of the land that the federal government transferred to states upon statehood as a trust for public education is difficult to administer and to make productive because it is surrounded by federal land; and

WHEREAS, federal land ownership greatly hinders the ability of western states to fund public education; and

WHEREAS, the federal government should compensate western states for the significant impact federal land ownership has on the ability of western states to educate their citizens; and

WHEREAS, just compensation will allow western states to be on equal footing with the rest of the nation in their efforts to provide education for their citizens.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That the Montana Legislature strongly urge the United States Congress to appropriate just compensation to the State of Montana for the impact of federal land ownership on the State's ability to fund public education.

BE IT FURTHER RESOLVED, that the Secretary of State send a copy of this resolution to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and the Montana Congressional Delegation.

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