New Dynamics, Same Challenges: A Federal Legislative Update

Jonathan Shuffield
Associate Legislative Director for Public Lands and Liaison to WIR
35 days remain this legislative session to accomplish the following:

- Debt Ceiling
- FY 2018 Appropriations
- Budget Resolution (Sept. 30)
- Federal Aviation Administration Reauthorization
- National Flood Insurance Program Reauthorization
- Health Insurance Programs (i.e.: S-CHIP)
- Hurricane Relief
- Tax Reform
Appropriations and Debt Ceiling

• Continuing Resolution and Debt Ceiling extended through Dec. 8

• Budget Cap Increase?

• Defense Spending Increase?

• Obamacare subsidies?

• DREAMers?
Federal Aviation Administration:
• Extended through December 8
• Debate over privatization
• Need for equipment updates and improvements

Flood Insurance:
• Extended to December 8
• House package of bills—increase premiums
• Senate—two competing bills (Crapo/Brown and Kennedy/Menendez)
Repeal/Replace

- Senate Republicans pulled the plug
- Paul, McCain, and Cruz opposed
- 2019 Budget Reconciliation—next opportunity

Senate Republicans Abandon Obamacare Repeal Effort for Now

by LEIGH ANN CALDWELL

NBC NEWS
Expiring Healthcare Programs

Set to Expire Sept. 30:

- Children’s Health Insurance Program (CHIP)
- Maternal, Infant, Early Childhood Home Visiting (MIECHV) Program
- Community Health Center funding
- Disproportionate Share Hospital (DSH)
Hurricane Relief

• Harvey Disaster Bill: $7.8 billion

• Potentially hundreds of billions of dollars

• Half of Puerto Rico has no drinking water

• Power expected to be out in Puerto Rico for up to six months
Tax Reform

- Unveiled Today

- 7 individual tax brackets to 3:
  - 35%, 25%, 12%

- Corporate tax rate: 20%

- Offset lower tax rates by eliminating deductions

- State and local tax (SALT) deduction and tax-exempt municipal bonds
Full Funding of PILT

• If Congress does not act, funding for PILT will expire on September 30, 2017.

• PILT funded at $465 million for FY 2017.

• The President’s FY 2018 Budget requested $397 million—the 10-year average of PILT funding. $68 million cut compared to FY 2017.

• A Continuing Resolution will not fully fund PILT. Continuing resolutions generally provide level funding only.

• Congress asked the Administration to recalculate PILT amount so that a full funding number can be appropriated.
Permanent Mandatory Funding

<table>
<thead>
<tr>
<th>FY2017</th>
<th>President’s Budget</th>
<th>Authorized</th>
<th>Appropriated</th>
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<tbody>
<tr>
<td>$465m</td>
<td>$465m</td>
<td>$465m</td>
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- Discretionary funding is not flexible and does not adjust to variables in the PILT formula such as changes in Federal acreage, prior year payments or county population

We ask Congress find a bipartisan, permanent solution to fully fund PILT
2017 Payments in Lieu of Taxes (PILT)

Idaho

<table>
<thead>
<tr>
<th>PILT Received, 2017:</th>
<th>Percent of PILT Entitlement Land:</th>
<th>PILT Entitlement Acres:</th>
<th>PILT Amount Per Entitlement Acre:</th>
</tr>
</thead>
<tbody>
<tr>
<td>$30,054,704</td>
<td>61.7%</td>
<td>32,622,422</td>
<td>$0.92</td>
</tr>
</tbody>
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Federal Lands, Local Communities

- 61.6% of counties have federal land within their boundaries. Even though they are not able to collect property taxes on federal land, county governments must still provide essential services for their residents and those who visit these public lands each year. Such services include road and bridge maintenance, law enforcement, search and rescue, emergency medical, fire protection, solid waste disposal and environmental compliance.

- Our ask: Counties urge Congress to provide full funding for PILT in FY 2018 and to support a sustainable long-term approach to financing essential local services in America's public lands counties.
Secure Rural Schools

• For FY 2015, the SRS program provided $278 million to over 700 counties, parishes, and boroughs

• **Without SRS, more counties are eligible for PILT, spreading PILT thinner.**

• **H.R. 2340 (Rep. McMorris Rodgers) and S. 1027 (Sen. Hatch)—Two Year SRS Reauthorization**

• Looking for a suitable vehicle to attach SRS
# Secure Rural Schools

## Idaho

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2015 Receipts Year</th>
<th>FY 2016 Receipts Year</th>
<th>FY 2016 25% Fund Payment</th>
<th>Percent of National Forest Service Land Within State</th>
</tr>
</thead>
<tbody>
<tr>
<td>SRS Payment</td>
<td>$ 23.5 M</td>
<td>$ 2.2 M</td>
<td>-90.6%</td>
<td>38.2%</td>
</tr>
</tbody>
</table>

**Secure Rural Schools Supporting Critical Services in Forest Counties**
Other SRS Legislation

• H.R. 2898—RAC Reform Act
  • Rep. Tom O’Halleran (D-AZ-01)
    o Reduce committee size from 15 to 9 members.
    o Localize appointment approvals from the Secretary of Agriculture/the Interior to the Regional Forester/State BLM Director.
    o Eliminate term limits for RACs with a budget under $1,000,000.

• S. 1508
  • Sen. Jeff Merkley (D-OR)
  • Amend Title III SRS to allow counties to use funds for:
    o Search/Rescue Preparedness Training
    o Capital equipment purchases for maintenance for search/rescue services
    o Development of County Wildfire Protection plans
Forest Management Reform

• NACo actively supported **H.R. 2936, the Resilient Federal Forests Act of 2017**
  • *Streamlines Environmental Regulations for Consensus Driven Projects*
  • *Reduces the Threat of Wildfire*
  • *Promotes Equitable Forest Revenue Sharing*

• Senate may unveil a package of forestry reforms as well.

• House Natural Resources Subcommittee Hearing—Today
National Monuments

- Executive Order signed April 26, 2017
- 22 national monuments to be reviewed
- Designated or expanded after January 1, 1996—greater than 100,000 acres
- Secretary recommends reductions to:
  - Cascade-Siskiyou
  - Grand Staircase-Escalante
  - Bears Ears
  - Gold Butte

Shrink at least 4 national monuments and modify a half-dozen others, Zinke tells Trump

By Juliet Elperin  September 17 at 9:54 PM
BLM Planning Rule Updates

• Memo to Secretary Zinke this week

• First step in recommendations

• State associations of counties weighed in asking for more county involvement in planning process

• NACo sent in comment letter in support
Annual PILT Fly-In

• 28 County Officials

• 70 Meetings with Key Members of Congress:
  o Congressional Leadership
  o Chairmen and Ranking Members
  o Members of Key Committees
  o Non-Western Members
  o Constituent Meetings
Media Outreach

This Wildfire Season Underscores the Importance of Federal Forest Payments

COUNTY NEWS

Counties take PILT fight to Capitol Hill

NACo to Congress: fully fund PILT, restore SRS with two years of back funding. Nearly 60% of counties contain federally-managed land

By Greg Chilcott, Special to Route Fifty

SEPTMBER 8, 2017

A Montana county board chairman says it’s time for Congress to institute “mandatory, long-term funding” for counties with federal lands within their borders.

Western Local Leaders: Federal Payments for Tax-Exempt Lands Not a ‘County Welfare Program’
Tools You Can Use

PILT Advocacy Toolkit

**Take Action**

**WRITE YOUR MEMBER OF CONGRESS**
A sample letter to Congress is included in this toolkit.

**PUBLISH AN OP-ED OR LETTER TO THE EDITOR IN YOUR LOCAL NEWSPAPER**
This toolkit includes a sample Op-Ed and Letter to the Editor along with talking points on the importance of PILT to help you write your own.

**ENGAGE YOUR MEMBERS OF CONGRESS ON SOCIAL MEDIA**
Remember to tag your members of Congress in your tweets and Facebook posts. Sample tweets and posts for social media are provided in this toolkit.
Here are a few examples of our resources
Valley County, ID

PILT & SRS Measures of Impact, 2015

**Total SRS & PILT Impact:** $-1.5\text{ Mil}$

- **SRS Impact:** $-1.7\text{ Mil}$
- **PILT Impact:** $235.3k$
Save The Date

Western Interstate Region Board Meeting
• October 9-11, Pinedale, Sublette County, Wyo.

NACo Legislative Conference
• March 3-7, 2018, Washington, DC

WIR Conference
• May 23-25, 2018, Sun Valley, Blaine Co., Idaho