Fact Sheet for: Senate Joint Resolution 31

Short Title: Federal Funding for Education

Summary:
- Urges the United States Congress to appropriate just compensation to the State of Alaska for the effect of federal land ownership on the State’s ability to fund public education.

Benefits:
- Provides a non-partisan, unified statement from CSG – WEST and fosters collaboration among the 13 legislatures to advocate Congress for just compensation.
- Represents an important step toward creating a broad-based coalition in support of just compensation for public schools in western states, where the federal government owns nearly 52 percent of the land. Based on research, the western states would receive one-time revenues from the federal government of $14 billion dollars and $6.4 billion annual revenue from property tax and royalties. For Alaska this would mean $5 billion in one-time revenue and $2 billion in annual recurring revenue. This money is vital to a region where enrollment and higher pupil-per-teacher ratios are expected to increase dramatically in the foreseeable future.

Background:
This legislation stems from a resolution adopted in July of 2002 by the Executive Committee of the Council of State Governments – WEST urging its membership of 13 states to support and pass joint resolutions expressing how federal land ownership hinders western states’ ability to fund education. The primary ways federal land ownership impacts the funding of education is through enabling acts and property taxes. The federal program that promised to give 5 percent of proceeds from the sale of federal land to each state for public education was abandoned. States are not allowed to assess property taxes on federal lands, and while the federal government does provide PILT (payment in lieu of taxes), the amount of PILT is only about 4 percent of the property tax revenue lost by western states.