

§ 1881.13

Unit of general local government means:

(1) A county, parish, township, borough, or city, (other than in Alaska), where the city is independent of any other unit of general local government, that:

(i) Is within the class(es) of such political subdivision in a State that the Secretary of the Interior determines, in his discretion, to be the principal provider(s) of governmental services within the State; and

(ii) Is a unit of general local government, as determined by the Secretary of the Interior on the basis of the same principles as were used by the Secretary of Commerce on January 1, 1983, for general statistical purposes.

(2) Any area in Alaska that is within the boundaries of a census area used by the Secretary of Commerce in the decennial census, but that is not included within the boundaries of a governmental entity described under paragraph (1) of this definition.

(3) The Governments of the District of Columbia, the Commonwealth of Puerto Rico, Guam, and the Virgin Islands.

§ 1881.13 Who is eligible to receive PILT payments?

(a) Each unit of general local government containing entitlement lands may receive a PILT payment.

(b) A unit of general local government may not receive a payment for land owned or administered by a State or unit of general local government that was exempt from real estate taxes when the land was conveyed to the United States. However, a unit of general local government may receive a PILT payment for land when:

(1) A State or unit of general local government acquires from a private party to donate to the United States within eight years of acquisition;

(2) A State acquires through an exchange with the United States if the land acquired was entitlement land; or

(3) In the State of Utah, that the United States acquires for Federal land, royalties or other assets if, at the time of acquisition, a unit of general local government was entitled to receive payments in lieu of taxes from the State of Utah for the land; provided

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that the payment to the local government does not exceed the payment the State would have disbursed if the land had not been acquired.

PAYMENTS TO LOCAL GOVERNMENTS CONTAINING ENTITLEMENT LANDS (31 U.S.C. 6902)

§ 1881.20 How does BLM process section 6902 payments?

(a) The BLM:

(1) Determines the eligibility of units of general local governments, conferring when necessary, with the Bureau of the Census, officials of appropriate State and local governments, and officials of the agency administering the entitlement land;

(2) Computes the amount of the payment disbursed to each unit of general local government; and

(3) Certifies the amount of the payment disbursed to each unit of general local government.

(b) The BLM disburses a payment each fiscal year to each unit of general local government containing entitlement lands.

(c) The State of Alaska is required to distribute the payment it receives to home rule cities and general law cities (as such cities are defined by the State) that are located within the boundaries of the unit of general local government entitled to the payment.

§ 1881.21 What information does BLM need to calculate these payments?

(a) The BLM obtains the necessary data on Federal and State payments from several sources:

(1) Federal agencies provide the amount of entitlement land within the boundaries of each unit of general local government as of the last day of the fiscal year preceding the fiscal year for which BLM disburses the payment.

(2) The Governor or designated official provides the amount of money transfers (land revenue sharing payments) disbursed by the State during the previous fiscal year to eligible units of general local government under the following payment laws listed under 31 U.S.C. 6903(a)(1):

(i) The Act of June 20, 1910 (Arizona and New Mexico Enabling Acts) (ch. 310, 36 Stat 557);

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(ii) Section 33 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1012);

(iii) The Act of May 23, 1908 (Knutson-Vandenberg Act regarding Forest Service timber sales contracts) (16 U.S.C. 500);

(iv) Section 5 of the Act of June 22, 1948 (Payments to Minnesota from northern Minnesota National Forest receipts) (16 U.S.C. 577g-1);

(v) Section 401(c)(2) of the Act of June 15, 1935 (Payments to local governments from National Wildlife Refuge System receipts) (16 U.S.C. 715s(c)(2));

(vi) Section 17 of the Federal Power Act (16 U.S.C. 810);

(vii) Section 35 of the Act of February 25, 1920 (Mineral Leasing Act) (30 U.S.C. 191);

(viii) Section 6 of the Mineral Leasing Act for Acquired Lands (30 U.S.C. 355);

(ix) Section 3 of the Act of July 31, 1947 (Materials Act of 1947) (30 U.S.C. 603); and

(x) Section 10 of the Act of June 28, 1934 (Taylor Grazing Act) (43 U.S.C. 315i).

(3) The Bureau of the Census provides statistics on the population of each unit of general local government.

(b) The BLM consults with the affected unit of general local government and the administering agency to resolve conflicts in land records and other data sources.

(c) The BLM uses the amount of actual appropriations, the formula set forth in 31 U.S.C. 6903(b)(1), which includes inflation adjustments, and Federal and State payments disbursed during the previous fiscal year to units of general local government under the land payment laws listed under 31 U.S.C. 6903(a)(1).

§ 1881.22 Are there any special circumstances that affect the way BLM calculates PILT payments?

If a unit of general local government eligible for payments under this subpart reorganizes, BLM will calculate payments for the fiscal year in which the reorganization occurred as if the reorganization had not occurred. BLM will disburse any payment due to each new unit based on the amount of eligible acreage in that unit.

§ 1881.23 How does BLM certify payment computations?

(a) The BLM will certify a computation for payment only after the Governor of the State or designated official in which the unit of general local government is located provides the BLM with:

(1) A statement of the amount of all money transfers (land revenue sharing payments) that each entitled unit of general local government has received from the State during the previous fiscal year from revenues derived from the payment law(s) listed under 31 U.S.C. 6903(a)(1);

(2) A certification, in writing, signed by a State Auditor, an independent Certified Public Accountant or an independent public accountant that the statements furnished by the Governor or designated official have been audited in accordance with auditing standards established by the U.S. Comptroller General in Standards of Audit of Governmental Organizations, Programs, Activities and Functions, available through the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402, and in accordance with the Audit Guide for Payments in Lieu of Taxes issued by the Department of the Interior.

(b) The Office of the Inspector General, U.S. Department of the Interior, will provide appropriate assistance to the Director, BLM, under the provisions of sections 4 and 6 of the Inspector General Act of 1978 (5 U.S.C. Appendix), to facilitate implementing and administering the audit requirements specified in paragraph (a)(2) of this section.

(c) The Office of the Inspector General will:

(1) Develop appropriate audit guides which State auditors, independent Certified Public Accountants or independent public accountants, must use to audit the statements of the Governors or their designated officials and to certify the audits; and

(2) Furnish copies of the guides to the Governor or designated official each year. You should send questions on the use or application of this guide to the Office of Inspector General, U.S. Department of the Interior, Washington, DC 20240.