

1 **CONCURRENT RESOLUTION ON EFFECT OF FEDERAL**
2 **LAND VALUATION MODEL**

3 2021 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Keven J. Stratton**

6 Senate Sponsor: Lincoln Fillmore

8 **LONG TITLE**

9 **General Description:**

10 This concurrent resolution clarifies the lack of impact that a federal land valuation
11 model has on greenbelt valuations.

12 **Highlighted Provisions:**

13 This resolution:

- 14 ▶ addresses a federal land valuation model developed for the purpose of determining
15 the fair market value of federal land in the state to demonstrate the inadequacy of
16 money the state receives from the federal government as payments in lieu of taxes;
- 17 ▶ describes the value of the federal land valuation model;
- 18 ▶ distinguishes between the purpose and use of the federal land valuation model and
19 the purpose and use of schedules for determining the value of greenbelt land; and
- 20 ▶ affirms that the federal land valuation model does not and will not impact the
21 determination of greenbelt land values.

22 **Special Clauses:**

23 None

25 *Be it resolved by the Legislature of the state of Utah, the Governor concurring therein:*

26 WHEREAS, while Utah appreciates every dollar of money received from the federal
27 government under the Payment in Lieu of Taxes (PILT) program, the harsh reality is that PILT
28 money the federal government pays is substantially less than the amount the state would
29 receive if PILT payments reflected the amount of property tax that would be generated from

30 that land if it were taxed based on its true market value;

31 WHEREAS, accurately and persuasively determining the fair market value of federal
32 land within the state is an important step in demonstrating the discrepancy between what the
33 state would receive if federal land generated taxes based on the land's fair market value and
34 what the federal government actually pays in PILT;

35 WHEREAS, the Federalism Commission was charged with overseeing the development
36 of a federal land valuation model to provide a reliable and accurate tool for determining the
37 market value of federal land within the state for purposes of demonstrating the inadequacy of
38 PILT money received from the federal government;

39 WHEREAS, under the direction of the Federalism Commission a software program, or
40 federal land valuation model, for determining the market value of federal land within the state
41 was developed;

42 WHEREAS, this federal land valuation model is an effective tool for determining the
43 fair market value of federal land within the state;

44 WHEREAS, the model does not value and is not intended to be used to value land in
45 the state other than federal land;

46 WHEREAS, as allowed under the Utah Constitution, the Farmland Assessment Act,
47 commonly referred to as the greenbelt law, provides for land used for agricultural purposes to
48 be assessed on the basis of its value for agricultural use rather than at full market value;

49 WHEREAS, the State Tax Commission has developed complex rules under the
50 greenbelt law to guide county assessors in their assessment of greenbelt land, and those rules
51 require the Property Tax Division to update and publish schedules to determine the taxable
52 value of greenbelt land;

53 WHEREAS, the Property Tax Division schedules are based in part on an annually
54 updated university study relating to the different types of agricultural land and their value and
55 are not related to the valuation of federal land in the state;

56 WHEREAS, the Property Tax Division has determined that: greenbelt land is valued
57 and assessed based on its productive value for agricultural use without regard to the value the

58 land may have for any other purpose; the model developed under the Federalism Commission's
59 direction seeks to estimate the market value of federal land and estimates a very different value
60 than the values determined under the Property Tax Division schedules for greenbelt land; and
61 the federal land valuation model will not have any impact on the determination of greenbelt
62 values in the state; and

63 WHEREAS, the Legislature, the Governor concurring therein, wants to dispel any
64 concerns about the federal land valuation model having any impact on the valuation of
65 agricultural land for greenbelt purposes:

66 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah, the
67 Governor concurring therein, affirms that the federal land valuation model, developed under
68 the direction of the Federalism Commission, is intended only to assist the state in establishing
69 the fair market value of federal land within the state for purposes of demonstrating the
70 inadequacy of PILT money received from the federal government and should not and will not
71 be used in a way that has any impact on the valuation of land for purposes of the greenbelt law.