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STATE OF ALASKA

PRESS RELEASE

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PILT Settlement Funds Allocated to Communities

Tuesday, November 5, 2019 (Anchorage) – The State of Alaska, Department of Commerce, Community and Economic Development (DCCED) has allocated a total of \$283,605 to affected communities as a settlement to claims that political subdivisions of states were underpaid under the U.S. Department of the Interior's (DOI) Payment in Lieu of Taxes (PILT) program.

DCCED received notice that local governments in Alaska were believed to have been underpaid federal PILT monies in 2015, 2016, and/or 2017. In September 2018, the DCCED Division of Community and Regional Affairs (DCRA) notified the communities that the State had joined in the class action Kane County, Utah v. United States; and that the State would receive and distribute PILT program funds to recipients who were included in the settlement, if and when the claims were paid.

The settlement funds received were allocated to each community based on population, similar to the formula used for the annual PILT payment. For this one-time payment, population shares were calculated as an average over the three relevant years (Federal Fiscal years 2015-17).

"I am pleased that the State was able to work on behalf of Alaskan communities to correct the payment amount and distribute the checks quickly," **said Alaska Division of Community and Regional Affairs Director Sandra Moller.**

The PILT program provides payments to local governments that contain certain federally-owned lands known as "entitlement lands." PILT payments are intended to help offset losses in property taxes due to nontaxable federal lands within municipal boundaries.

DCCED annually distributes the PILT funds received by the State on behalf of municipalities in the Unorganized Borough. Payments to Alaska's boroughs are distributed directly to boroughs by the U.S. Department of the Interior.

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