



TO: Senate Committee on Taxes
FROM: Ducks Unlimited
DATE: February 6, 2023
RE: S.F. 697, concerning payment in lieu of taxes

Chair Rest and members of the committee,

On behalf of nearly 50,000 Ducks Unlimited (DU) members across Minnesota, I wish to express support for continued funding of “payments in lieu of taxes” (PILT), including necessary adjustments made to PILT to ensure fairness and equity to local governments.

PILT is an important tax policy that supports local communities and represents a significant source of revenue to some counties with large amounts of public land. In 1979 the Minnesota Legislature approved a PILT program in recognition of its obligation to share in the cost that local governments incur in supporting lands held by the state for the benefit of all citizens. Since 1980, the state has made annual PILT payments from the general fund to be distributed among counties, townships, and school districts. Payments are not automatically adjusted for inflation.

There are several categories of PILT, including Consolidated Conservation Areas, Minnesota Department of Transportation excess real estate acquired for trunk highway purposes, Housing and Redevelopment Authority low-income housing projects, Department of Natural Resources lands, and various federal programs.

Forests, wildlife management areas, aquatic management areas, scientific and natural areas, water access sites, and parks that provide opportunities for recreation and revenues are included in DNR natural resource lands. Costs that local governments may incur on these lands are generally limited to emergency or road services.

Public natural resource lands provide areas for hunting, fishing, birding, timber, gravel, and minerals, often generating income for local business. The goal of the PILT program is to fairly share in the expenses associated with having public lands for all to use and benefit from. The legislature’s role in setting the payment rates, policies, and appropriating dollars to PILT programs is crucial to support local units of governments and the economy associated with our public natural resources lands.

Sincerely,

Scott Christensen
State Chair, Minnesota Ducks Unlimited
Litchfield, MN