

I offer my sincerest sympathies to Cal's wife Vi, his children, Cal Jr., Billy, Fred, and Ellen. The loss of Cal Sr. is felt by all who admired this great man who gave back so much to his community.

PILT PAYMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana (Mr. HILL) is recognized for 5 minutes.

Mr. HILL of Montana. Mr. Speaker, as my colleague knows, I have the great honor and great privilege of representing the State of Montana here in the House of Representatives.

Montana is one of the largest districts, both in population and area, in the Congress. I represent an area of 148,000 square miles and approximately 900,000 people.

Mr. Speaker, about 30 percent of Montana is owned by the Federal Government; and that is about 42½ thousand square miles, or 27.2 million square acres. To put that into perspective, Mr. Speaker, the Federal lands in Montana is about equivalent to the size of the entire State of Kentucky or the entire State of Louisiana, or Mississippi, New York, Ohio, Pennsylvania, Tennessee, and Virginia.

As you colleagues know, Mr. Speaker, State and local governments are prohibited from taxing Federal lands. But State and local governments are obligated to provide services: law enforcement services, fire protection, search and rescue, schools, hospitals, and other emergency services.

The Federal Government compensates local governments really in two ways. One, it makes payments to State and local governments in lieu of taxes. We call this PILT payments. In addition to that, the Federal Government provides for revenue sharing. The receipts and certain income from the development of resources go to State and local governments. Certain minerals, timber harvest, oil and gas leases, even a portion of outfitter fees, 25 percent, go to State and local governments.

But, Mr. Speaker, the PILT payments, the payment in lieu of taxes payments, in Montana is about 17 cents per acre of Federal land. Private land in Montana, on average, produces revenues to State and local governments of about \$1.48. So the PILT payments are not much more than 10 percent of what private taxes would produce.

In 1995, the Congress authorized the first increase in PILT payments in over 20 years. However, Congress has failed to appropriate the full level of PILT payments authorized and the Clinton administration has never requested the full level of funding.

But even more troubling is the Clinton administration has been locking up the public lands by dramatic reduc-

tions in timber harvest, withdraw of mineral districts, the shutting down of oil and gas expiration, and the closing of public lands for recreation and for tourism, and that has further reduced the revenues and income to State and local government.

More troubling than that even, the Clinton administration recently proposed the ending of revenue sharing arrangements altogether. Mr. Speaker, this proposal has been opposed by local governments and it has been opposed by the Montana legislature.

Mr. Speaker, what this resolution says is that Montana local governments, Montana State government opposes the Clinton administration's policies of closing down the public lands and failure to fulfill its obligations under PILT payments. We have to restore resource development, Mr. Speaker, and we have to fully fund the PILT payments.

Mr. Speaker, I include for the RECORD a copy of the resolution passed with 119 votes in the Montana 1998 legislature.

MONTANA STATE CAPITOL,
Helena, MT, March 31, 1999.

Hon. RICK HILL,
U.S. House of Representatives, Washington DC.
DEAR REPRESENTATIVE HILL: On behalf of the State of Montana it is my honor and duty to send you the attached copy of House Joint Resolution 19 for your information.

House Joint Resolution 19 is urging the full funding of payments in lieu of taxes on federal land in Montana, the proper harvest of the allowable sale quota for timber, and a renewal of the federal governments' compact with state and local governments to contribute a fair share of taxes on federal land in Montana.

On behalf of the Speaker of the House, the President of the Senate and all of the members of these esteemed bodies, I thank you for your consideration of this resolution.

Sincerely,

MIKE COONEY,
Secretary of State.

Enclosure.

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA URGING THE FULL FUNDING OF PAYMENTS IN LIEU OF TAXES ON FEDERAL LAND IN MONTANA, THE PROPER HARVEST OF THE ALLOWABLE SALE QUOTA FOR TIMBER, AND A RENEWAL OF THE FEDERAL GOVERNMENT'S COMPACT WITH STATE AND LOCAL GOVERNMENTS TO CONTRIBUTE A FAIR SHARE OF TAXES ON FEDERAL LAND IN MONTANA

Whereas, the ability of Montana's economy has historically been dependent on use of our abundant natural resources; and

Whereas, the natural resource harvest has contributed billions of dollars to Montana's economy by providing employment opportunities to members of our communities and by supporting our business communities; and

Whereas, revenue from industries related to natural resource harvest has produced taxes for the support of local and state governments; and

Whereas, the federal government has long recognized the importance of supporting local governments in counties where the United States controls management of public lands by reimbursing state and local gov-

ernments by payments in lieu of taxes (PILT); and

Whereas, a variety of federal legislation, such as the Forest Reserve Act of 1890 sought to make equitable distribution to counties and to the education system of 25% of net proceeds derived by the sale of resources harvested on federal land; and

Whereas, the federal government is now reducing the volume of timber cut in relation to the allowable sale quotas (ASQ), redistributing funds historically contained in the 25% fund (outfitter fees), reducing its commitment to full funding of PILT, which was reduced from 100% in 1994 to 53% in 1998, and redefining its commitment to states and counties (a decoupling effort to overturn the 1890 Forest Reserve Act); and

Whereas, this effort has and will cause irreparable financial harm to state and local governments, our natural resource industries, and employment opportunities for Montanans.

Now, therefore, be it resolved by the Senate and the House of Representatives of the State of Montana:

That the Legislature of the State of Montana petition the U.S. Congress to ensure a full commitment by the federal government to full funding of PILT, a commitment toward the proper harvest of the natural resource base by way of already adopted ASQ, and a renewal of its compact with states and local governments to contribute to the federal government's fair share in taxes on land present in Montana but retained by the federal government.

Be it further resolved, that the Secretary of State send copies of this resolution to the President of the United States, the Secretary of State of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, the Western Governors' Association, and the Montana Congressional Delegation.

ENACT THE DIABETES RESEARCH WORKING GROUP REPORT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. NETHERCUTT) is recognized for 5 minutes.

Mr. NETHERCUTT. Mr. Speaker, 2 months ago the Diabetes Research Working Group released its report entitled "Conquering Diabetes: A Strategic Plan for the 21st Century." This document was a result of over a year of effort on the part of 12 scientific experts and four representatives from the lay diabetes community. Support was provided by dozens of other individuals both from within the National Institutes of Health and from outside the NIH.

The Working Group was established by Congress as part of the Fiscal Year 1998 Appropriations Act and based on legislation I introduced in the last session of Congress. It requested that NIH establish the Group to develop a comprehensive plan for NIH-funded diabetes research.

Dr. Ronald Kahn is an outstanding physician and scientist. He was selected the chairman of the group. He has spent literally thousands of hours