



**MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE
COUNTY OF PLACER**

TO: Honorable Board of Supervisors
FROM: David Boesch, County Executive Officer
By: Joel Joyce, Management Analyst
DATE: October 20, 2015
SUBJECT: Legislation / Federal Payment in Lieu of Taxes

Action Requested

Adopt a Resolution to request that the 114th Congress reauthorize and fund the Federal Payment in Lieu of Taxes program.

Background

The Federal Payment in Lieu of Taxes (PILT) program provides federal payments to local governments in order to help offset losses in property taxes due to nontaxable federal lands within local governments' boundaries. Counties containing National Forests, National Parks, lands administered by the Bureau of Land Management (BLM), lands dedicated to the use of federal water, National Wildlife Reserves, and inactive or semi-active Army installations are eligible for Federal PILT payments.

While Federal PILT expired as a mandatory spending program in early 2014, Congress reauthorized the program and provided one-year funding for 2015 through H.R. 3979, the National Defense Authorization Act, and H.R. 83, the Federal Fiscal Year 2015 Omnibus Spending Bill. In 2015, Placer County received \$605,219 for 397,347 acres. Since 1999, the County has received over \$4 million from PILT.

Fiscal Impact

There is no fiscal impact as a result of this item.

Attachment - Resolution

Before the Board of Supervisors County of Placer, State of California

In the matter of:

Resol. No: _____

A Resolution to request that the 114th
Congress reauthorize and fund the Federal
Payment in Lieu of Taxes program

The following Resolution was duly passed by the Board of Supervisors of the County of
Placer at a regular meeting held _____ by the following
vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:

Clerk of said Board

WHEREAS, much of the land in the western United States is owned by the federal government, and it is common that some counties located in the west have more than 90 percent of their jurisdiction occupied by federal land; and

WHEREAS, because this land is now held by the United States Government, it is removed from the local property tax rolls and exempt from local property tax; and

WHEREAS, a number of federal agencies, including the U.S. Forest Service, the U.S. Park Service, the Bureau of Land Management, and the U.S. Fish & Wildlife Service, account for nearly 640 million acres owned and occupied in the United States; and

WHEREAS, in 1976 Congress passed and President Ford signed legislation to create the Federal Payment in Lieu of Taxes program (PL 94-565) to provide payments to counties and other local governments to offset losses in tax revenues due to the presence of tax-exempt federal land within their jurisdictions; and

WHEREAS, the Federal Payment in Lieu of Taxes program replaces the lost property tax revenue and provides county government funding for essential services such as law enforcement, firefighting, search-and-rescue operations, construction and maintenance of roads, and other vital services; and

WHEREAS, specifically Placer County has received over \$4,000,000 in Federal Payment in Lieu of Taxes program since 1999.

WHEREAS, the Federal Payment in Lieu of Taxes program was reformed in 2008 under the Emergency Economic Stabilization Act (PL 110-343) to modify the program from a discretionary program which is subject to annual appropriations of Congress to a fully-funded mandatory program until Federal Fiscal Year 2012; and

WHEREAS, there have been two one-year reauthorizations, the most recent as part of the enactment of both H.R. 3979, the National Defense Authorization Act, and H.R. 83, the Federal Fiscal Year 2015 Omnibus Spending Bill, which, when combined, provide nearly \$450 million in Federal Fiscal Year 2015 funding for the Federal Payment in Lieu of Taxes program; and

WHEREAS, a number of efforts were made in the 113th Congress in both the United States House of Representatives and the United States Senate to reauthorize the Federal Payment in Lieu of Taxes program for several consecutive years as a mandatory program in order for counties to budget accordingly:

NOW, THEREFORE, BE IT RESOLVED that the Placer County Board of Supervisors respectfully urges the 114th Congress to reauthorize and fund the Federal Payment in Lieu of Taxes program for several years, commencing with Federal Fiscal Year 2016, in order to provide a long-term, stable source of funding for counties in order to maintain vital programs and avoid any interruption in county services.

