NEWS RELEASE

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Counties applaud Payments in Lieu of Taxes funding
Still work to do on funding Secure Rural Schools program

WASHINGTON, D.C. – The National Association of Counties (NACo) today applauded lawmakers for including $372 million for the Payments in Lieu of Taxes (PILT) program in its end-of-year spending package for FY15. The proposed funding is in addition to $70 million included in the National Defense Authorization Act, bringing the total investment in PILT to $442 million.

“We are very pleased that Congress will make a full investment in the PILT program,” said NACo Executive Director Matthew Chase. “Sixty-two percent of America’s counties have federal public lands within their boundaries. This is an investment in the vast network of mandated services counties deliver to support federal lands and communities across the country.”

The PILT program is designed to offset forgone tax revenues due to the presence of substantial acreage of federal lands within counties’ jurisdictions. Despite not being able to collect property taxes on federal lands, county governments still provide essential services to their residents and visitors, including solid waste disposal, law enforcement, road and bridge upkeep, fire protection and emergency medical services.

The welcome news of full funding for the PILT program was somewhat dampened by news that the spending package does not include funding for the Secure Rural Schools (SRS) program. NACo is renewing its call for congressional backing for SRS as soon as possible.

“We are grateful that Congress will fulfill the federal obligation to the PILT program, but there is still work to do to fully support the SRS program,” said Chase. “We look forward to working with our partners on Capitol Hill to finish the job.”

Because National Forest counties are entitled to more PILT funding if they do not receive SRS funding, the two programs are closely linked. Without securing full SRS funding before PILT payments are disbursed in mid-2015, there will be a significant impact on the funds available for all counties with federal lands.

Many counties could face devastating budget shortfalls affecting important programs and services because of the uncertainty around these programs.

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“From trash collection to road maintenance, from search-and-rescue operations to schools, county services help communities thrive,” said Chase. “The PILT and SRS programs support ongoing, vital services and should have ongoing, predictable funding.”

The SRS program, enacted in 2000, provides funding for counties and schools to compensate for steep reductions in revenues from timber harvests. It provided $270 million to 729 counties this year. The FY14 investment in the PILT program was $437 million, which went to approximately 1,900 counties.

In some counties, 80–90 percent of the land is federally owned. Counties provide significant support for national parks and forests, wildlife refuges, recreation areas and other land that covers roughly 640 million acres, or nearly 28 percent of the U.S. More than 280 million people visit America’s national parks and other federal public lands each year.

Earlier this year, NACo held a bipartisan congressional briefing and launched an online action center with national and county-specific information about the PILT program. The online hub features detailed profiles for the 1,126 individual counties that receive more than $10,000 each in PILT funding, key facts and data points and tips for spreading the word via social media.

For more information, visit http://www.naco.org/PILT.

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The National Association of Counties (NACo) is the only national organization that represents county governments in the United States. Founded in 1935, NACo assists America’s 3,069 counties in pursuing excellence in public service to produce healthy, vibrant, safe and resilient counties. NACo promotes sound public policies, fosters county solutions and innovation, promotes intergovernmental and public-private collaboration and provides value-added services to save counties and taxpayers money. More information at: www.naco.org.