

# **Bond Case Briefs**

*Municipal Finance Law Since 1971*

---

## **NACo issues News Release on PILT.**

WASHINGTON, D.C. – America’s counties will have no option but to severely reduce or eliminate critical county services to the public if Congress fails to deliver funding for the Payment in Lieu of Taxes (PILT) program in the FY2014 Omnibus spending bill.

Without annual PILT payments, many services including fire and EMS, search and rescue, public health, law enforcement and justice operations could be affected. In many cases, counties will face more severe consequences including insolvency, default, and bankruptcy.

“We are deeply concerned that Congress would turn its back on more than 1,850 counties impacted by the presence of the U.S. government’s extensive holdings of public land,” said Matt Chase, Executive Director of the National Association of Counties (NACo). “Since October, counties have in good faith delivered vital county services to our citizens and visitors with the expectation that the federal government would honor its 37-year commitment to county governments who are unable to collect property taxes on more than 600 million acres of federal land.”

Through the federal government shutdown and despite the uncertainty in the federal budget, counties have been open for business. In many cases, counties have had to front the costs of services typically supported with annual PILT payments, something that most rural counties cannot afford to do much longer.

“There is still time to act, and we respectfully ask that the House and Senate leadership work to fully fund PILT for the current fiscal year in the Omnibus spending bill or through another legislative vehicle,” Chase said.

Since 1976, PILT has provided critical funding to nearly 1,850 counties in 49 states. The PILT program funds offset losses in tax revenues due to the presence of substantial acreage of federal land in their jurisdictions. In many counties, more than 50 percent of the land is owned by the federal government.

PILT payments allow local governments to provide critical government services for residents such as education, solid waste disposal, law enforcement, search and rescue, health care, environmental compliance, firefighting and parks and recreation.

by Hadi Sedigh on 1/13/2014 4:08 PM