
Farm Bill Includes Payment in Lieu of Taxes Funding.

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President Obama is expected to sign the Agricultural Act of 2014, passed as a conference report to the Federal Agriculture Reform and Risk Management Act of 2013 (H.R. 2642). The House passed the bill in January. The five-year farm package would fund the PILT program for 2014 at a cost of $410 million, according to a Congressional Budget Office estimate. The program provides local governments with funds to offset the loss of a tax base when there is nontaxable federal land within their jurisdictions.

Western lawmakers had argued that PILT funding should have been included in the omnibus appropriations bill signed into law in January. House appropriators instead said they expected the program's continued funding to be "addressed expeditiously" in later legislation. (Prior coverage .)

Sen. Mike Lee, R-Utah, who voted against the bill, criticized the decision to temporarily authorize funds for the PILT program. Lee cited alternatives such as transferring federal lands to the states or fully compensating those affected communities. Lee called for a "real, permanent solution" to how state governments deal with the loss of tax revenues from federal lands. In January Sen. Mark Udall, D-Colo., and Finance Committee member Michael F. Bennet, D-Colo., introduced legislation (S. 1913) to make the PILT program permanent.

"I have been on the phone with county commissioners for weeks who feel they have no choice but to support a policy that they know doesn't work," Lee said on the Senate floor February 3. "This bill takes away their ability to plan and budget with certainty, and forces them to come back to Congress, hat in hand, every year."

by Meg Shreve

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