



November 17, 2015

The Honorable Barbara Boxer
Member, United States Senate
112 Hart Senate Office Building
Washington, D.C. 20510

RE: Federal Payment in Lieu of Taxes Program

Dear Senator Boxer:

On behalf of the Rural County Representatives of California (RCRC), an association of thirty-four California counties, I write to thank you for your continued support of the Federal Payment In Lieu of Taxes (PILT) program and for joining as a signatory to Senators Michael Bennet's (D-Colorado) and Mike Crapo's (R-Idaho) 'Dear Colleague' letter requesting full funding for the Federal PILT program for Fiscal Year 2016.

As you know, in October 1976 Congress enacted the Federal PILT program to provide payments to local governments to offset property tax losses they suffer due to the presence of nontaxable federal lands within their jurisdictions. Many of California's counties, particularly those containing significant federal landholdings, rely on Federal PILT funding as a large share of their budgets. California's rural counties combined receive approximately \$40 million annually to help fund critical programs and services including police and fire department operations, emergency medical services, and search and rescue operations. Rural County Supervisors continue to voice concerns that their county will face drastic budget cuts and will struggle to provide the most basic county services without these critical funds. RCRC believes the federal government must honor the pledge it made to rural counties over 30 years ago when the Federal PILT program was established by continuing to fully fund the program.

Thank you for your continued leadership on this very important issue for rural communities throughout California. We thank you for joining your colleagues to urge House and Senate leaders to fully fund the Federal PILT program.

Sincerely,

PAUL A. SMITH
Senior Legislative Advocate