

State PILT (SB 58)

The California Department of Fish and Wildlife (DFW) operates 111 wildlife management areas within 36 counties, encompassing more than 712,000 acres throughout the state.

The California Constitution specifies that state lands (including wildlife management areas) are exempt from the property tax. California Payment in Lieu of Taxes (PILT) was established in 1949 to offset adverse impacts to county property tax revenues that result when the State acquires private property for wildlife management areas.

State PILT payments were made between 1957 and 2002 from the General Fund. In the 2002-03 Budget Year, the State stopped providing State PILT payments to counties resulting in arrearages, to date, of approximately \$8 million. The non-payment of State PILT arrearages have resulted in many counties, small counties in particular, struggling to provide needed services to county residents – many of which are mandated by the State. Additionally, many of California's counties that contain state wildlife management areas also have a significant amount of federal and other state owned land within their boundaries that do not generate property tax revenues.

While the 2015-16 State Budget provided \$644,000 in State PILT funding, the final State Budget Package also included language making future State PILT payments permissive by changing the “*shall*” to “*may*” in Fish & Game Code Section 1504.

RCRC adamantly supports full funding of the State PILT program, and has sponsored legislation supporting the program numerous times. The current legislative effort, Senate Bill 58 by Senator Mike McGuire (D-Healdsburg), once again seeks to amend Fish and Game Code to restore language that makes State PILT payments to counties required, as opposed to permissive, effective January 1, 2019, in an effort to ensure that future Administrations follow through on the State's commitment to counties. SB 58 is currently on the Suspense File – a holding spot for bills that can be further evaluated on their respective fiscal cost – in the Senate Appropriations Committee. The Suspense File is scheduled to be heard the week of May 22nd.