

Proposed Senate bill could provide \$1.2 million to Butte County

By Barbara Arrigoni, Chico Enterprise-Record

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Sign marking the Gray Lodge Wildlife Area near Gridley on Monday. Emily Bertolino — Enterprise-Record

Butte County >> A Senate bill introduced earlier this month in Sacramento could provide a large sum of one-time funds to Butte County, should it pass.

Recently, legislators introduced Senate Bill 234 asking the state to pay \$19 million in long-suspended Payment In Lieu of Taxes (PILT) money to counties throughout the state. Of that, more than \$1.2 million is owed to Butte County.

Under the PILT program, counties were reimbursed by the Department of Fish and Wildlife for property tax revenue lost when the state acquired private property for refuges and wildlife management areas.

Butte County deputy chief administrative officer Sang Kim explained the concept: Private property owners pay property taxes to the county. But if the property is owned by the state, the state doesn't pay taxes on land it owns within the county.

Kim said in the past, both the federal and state governments have given PILT funds to counties, recognizing the impact of lost property tax revenue.

The state stopped paying counties the annual PILT funds in 2001, but the federal government continues to make the payments. For the last fiscal year, Butte County received \$168,995 in federal PILT money, Kim said.

Now, Gov. Jerry Brown's proposed 2015-16 state budget includes PILT funding for the upcoming fiscal year. Butte County would be in line for just under \$100,000.

Although initially Kim didn't have an estimate on how much the county could get if SB 234 passes, he later learned it would be more than \$1.2 million. Kim said the amount is an estimate the Department of Fish and Wildlife provided to the Rural County Representatives of California (RCRC) last June.

It's too soon to tell how the county might use the money if the bill passes.

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"Ultimately, the Board of Supervisors would decide on how the funds would be used," Kim said.

He said county officials have determined any one-time funds will be used for purposes that don't require ongoing, long-term funding. One possibility would be to place the money in a rainy day fund.

"Whatever the use of money would be, staff administrators would encourage use of it for one-time purposes," KIM said. "Of course, we shouldn't count the eggs before they hatch.

"We encourage state Legislators to pass Senate Bill 234, and if it's passed, we encourage the governor to

sign it.”

Contact reporter *Barbara Arrigoni* at 533-3136.



Barbara Arrigoni

Barbara Arrigoni has been reporting news for the Enterprise-Record since mid-2004, covering Glenn County. She has been primarily reporting for the Oroville Mercury-Register for the last 5 years. Reach the author at barrigoni@orvillemr.com or follow Barbara on Twitter: [@OMRBarbara](https://twitter.com/OMRBarbara).

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