Supervisor stresses importance of PILT to fund county services

County governments are on the frontlines of the coronavirus pandemic, providing direct health care, running public health departments, emergency response and maintaining a social safety net. In this current public health crisis, counties face enormous budgetary constraints due to the economic slowdown and the ever-increasing costs to provide these services. According to an initial assessment by the National Association of Counties, county governments nationwide face approximately $144 billion in budget deficits over the next year. The damage to budgets will likely stretch into future years as the economy recovers from this initial shock.

This new reality will impact Inyo County’s ability to deliver critical services. Rural public lands counties, such as Inyo County, are in an even more difficult position than our urban neighbors. We will not have the spike in tourism to Death Valley National Parks nor our nearby national forests this year, which will reduce vital revenues upon which we rely. Furthermore, county governments are not able to collect much needed property tax revenue from federal public lands, like we do from privately owned land. In short, public lands counties will get squeezed from both sides in the coming years.

It is imperative for Congress to provide relief to counties in the next coronavirus stimulus package, especially public lands counties. Congress can do this by delivering long-term funding to the federal Payments In-Lieu of Taxes (PILT) program. For over 40 years, the PILT program has provided funding to counties like Inyo County to offset forgone revenues from the presence of untaxable federal land within our boundaries. Sixty-one percent of the nation’s counties have federal public lands; many rural counties have more than 90 percent of their land area under federal control.

Approximately 92 percent of Inyo County’s 10,000-plus square acres are owned by the federal government. To help make up for lost property tax revenue, the PILT program provides Inyo County with roughly $1.9 million each year – the equivalent of 3 percent of the county’s General Fund budget. These funds are a vital part of our efforts to provide services to the thousands of residents and millions of annual visitors utilizing federal lands within our borders. This funding is especially critical in helping to create safety nets and stopgap measures in a remote rural county where access to medical care and other important services is lacking.
In 2019, Congress provided $516 million for PILT. However, without mandatory full funding, PILT will be subject to the whims of Congress – and could fall back to past funding levels when counties received 65 percent or less of necessary funding for PILT. This would be a devastating blow to local services in areas with large federal land ownership.

Fortunately, Congress has readily available bipartisan legislation designed to solve this dilemma during the next round of federal stimulus funding. In the U.S. House of Representatives, H.R. 3043, the Permanently Authorizing PILT Act, would make PILT a permanent, fully funded program moving forward. This would protect county revenues from the unpredictable annual Congressional appropriations cycle.

For the millions of residents of public lands counties, the case is clear. Without PILT, providing crucial services to our residents – and the millions of public lands visitors – would not be possible. Let’s solve this problem right now by including H.R. 3043 in the next coronavirus stimulus package.

Matt Kingsley
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