



**WESTERN  
GOVERNORS'  
ASSOCIATION**



December 20, 2013

The Honorable Barbara Mikulski  
Chairwoman  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

The Honorable Richard Shelby  
Vice Chairman  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

The Honorable Hal Rogers  
Chairman  
Committee on Appropriations  
United States House of Representatives  
Washington, DC 20515

The Honorable Nita Lowey  
Ranking Member  
Committee on Appropriations  
United States House of Representatives  
Washington, DC 20515

Dear Chairwoman Mikulski, Chairman Rogers, Vice Chairman Shelby, and Ranking Member Lowey:

As the House and Senate Appropriations Committees work to develop a final Fiscal Year (FY) 2014 spending measure, we respectfully request that your Committees fully support the Payment in Lieu of Taxes (PILT) program. The PILT program provides critical funding to nearly 1,900 counties in 49 states and three U.S. territories. As you know, the recently adopted FY2014 budget resolution included a deficit neutral reserve fund placeholder for PILT. With this bipartisan acknowledgment to fund the program, we respectfully request that the program be fully funded and appropriately offset in the upcoming appropriations bill.

PILT is currently authorized at \$425 million for FY2014 to help offset losses to local governments from the presence of non-taxable federal lands through direct payments to counties and other local governments. Counties with federal land in their jurisdictions often provide vital services on those lands, such as solid waste management, search and rescue, and emergency medical services. The federal government must honor its historic PILT agreement with states and counties to compensate them for tax-exempt federal lands within their borders.

In July 2012, President Obama signed into law PL 112-141, the Moving Ahead for Progress in the 21st Century Act (MAP-21). Included in the legislation was mandatory funding for PILT. After implementation of the Budget Control Act (sequestration cuts), counties received roughly \$400 million in FY2013. Unless Congress acts, counties will have received their last fully funded PILT disbursement in June of 2013.

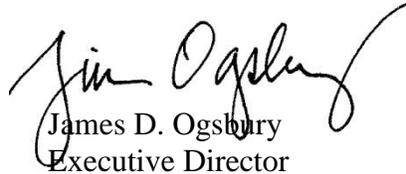
We urge you to consider the economic hardship that states and counties across the nation will face if the PILT program is not given consistent funding. We understand the Appropriations Committees have some tough funding decisions coming up and we appreciate your consideration of this important issue.

Moving forward, we hope that Congress can work together to seek a long-term funding solution to provide a consistent and stable source of funding for the nation's PILT counties.

Respectfully,



Matthew D. Chase  
Executive Director  
National Association of Counties



James D. Ogshury  
Executive Director  
Western Governors' Association

CC: Majority Leader Harry Reid  
Speaker John Boehner  
Minority Leader Mitch McConnell  
Minority Leader Nancy Pelosi