



April 3, 2019

The Honorable Greg Gianforte
United States House of Representatives
1222 Longworth House Office Building
Washington, DC 20510

Dear Representative Gianforte:

On behalf of the National Association of Counties (NACo) and the 3,069 counties, parishes, and boroughs we represent, I write to express support for your draft legislation to create new monetary multiplier limitations under the Payments In-Lieu of Taxes (PILT) program. Thank you for your leadership in introducing legislation to ensure public lands counties with populations fewer than 5,000 are on a more equal footing in the distribution of PILT payments without negatively impacting federal payments to those counties with higher populations.

As you are aware, the PILT program was created in 1976 to offset costs incurred by counties for services provided to residents and public lands visitors alike, including law enforcement, search and rescue, health care, environmental compliance, infrastructure maintenance and other important community services. PILT provides critical payments to counties in 49 states, the District of Columbia and three U.S. territories. Rural public lands counties face the combined fiscal pressure of smaller tax bases caused by large tracts of untaxable federal lands within their jurisdiction along with fewer residents and businesses producing tax revenue. Under the current PILT formula, monetary multiplier limitations increase as population decreases but this increase cuts off at 5,000 people. This leaves counties with fewer than 5,000 residents at a disadvantage, as their per-person monetary multiplier limitation is stuck at the same level as a county of 5,000.

Your legislation will create new, larger monetary multiplier limitations for counties with populations between 1,000 and 4,000 so that these smaller counties receive additional resources. It will put rural communities in a better place, without affecting the PILT payments to any county with a population of 5,000 or higher, so long as Congress fully-funds the PILT program moving forward. This is a significant positive step for ensuring equitable payments to public lands counties.

Counties appreciate your effort to ensure rural counties receive their fair share of PILT payments. NACo stands ready to work with you to promote fair, equitable payments to public lands counties and encourages swift passage of your legislation to adjust monetary caps for smaller population communities.

Sincerely,

Matthew D. Chase
Executive Director
National Association of Counties