

FOR IMMEDIATE RELEASE
Monday, June 28, 2010

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Hastings: Interior Dept. Gives Inadequate, Vague Reasons for Delayed PILT Payments

WASHINGTON D.C. – House Natural Resources Committee Ranking Member Doc Hastings (WA-04) today sent a follow-up [letter](#) to Interior Secretary Ken Salazar seeking clarification on the Department’s vague explanation of why the distribution of the Payment in Lieu of Taxes (PILT) funds is being delayed from June until mid-July. [Click here to read the full text of the letter.](#)

A [DOI press release](#) from June 18, 2010 asserted that “late reporting by some entities and the complexity of evaluating prior year payments authorized by the Mineral Leasing Act and the Secure Rural Schools and Roads Act” were the reasons for the sudden delay.

In order to clarify this explanation, Hastings has asked Secretary Salazar to provide the following information:

1. A complete list of the late-reporting entities and the reasons for the delinquency.
2. Citations of the specific complexities in the law that may have contributed to the delay.
3. A detailed description of all of the “unavoidable circumstances” that the Department originally cited as the cause of the delay.
4. Information on whether the actions of any Department official or staff caused, contributed to, or could have avoided this delay.
5. What corrective actions will be implemented to eliminate any risk of future delays?
6. The reason why PILT recipients and Congress were not notified immediately and directly about the Department’s delaying of payments from June until July.

“Unlike the federal government that has made a habit of running extraordinary deficits, or this Congress that has simply abdicated its duty to write a budget for next year, small local governments must carefully plan for the coming year’s operating costs,” wrote Hastings. “These expenses include funding for services that are essential to community safety, education, transportation and local economies. Such essential services should not be put in jeopardy or complicated because of the actions, especially the unexplained actions, of the

federal bureaucracy. For these reasons, the Department must do everything in its power to ensure its delay in making FY2010 payments is measured in days, not weeks.”

Background

PILT, administered by DOI, was established in 1976 to compensate local governments for lost property tax revenues due non-taxable federally owned land. County budgets are drafted with the expectation that DOI will distribute PILT funds on time, directly to local governments to help pay for vital programs such as road construction, schools, local law enforcement and fire departments. According to the Congressional Research Service, as of 2008, the PILT program covered 610.1 million acres, or about 94% of all federal land. Last year over \$ was distributed through the PILT program.

Hastings sent an initial [letter](#) to Secretary Salazar on June 17, 2010 seeking answers on this unacceptable and unexpected delay.

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