

U.S. HOUSE OF REPRESENTATIVES

NATURAL RESOURCES COMMITTEE REPUBLICANS

CONGRESSMAN DOC HASTINGS, RANKING MEMBER

FOR IMMEDIATE RELEASE  
Thursday, June 17, 2010

CONTACT: [Jill Strait](#) or [Spencer Pederson](#)  
202-226-2311

## **Hastings Demands Fast Answers From Interior Dept. Over Sudden, Unexplained Delay in Payment in Lieu of Taxes (PILT) Distribution**

*“This is a matter of basic competence – something serious has gone wrong and the Secretary has a duty to fully explain it publicly”*

**WASHINGTON D.C.** – House Natural Resources Committee Ranking Member Doc Hastings (WA-04) today sent a [letter](#) to Interior Secretary Ken Salazar regarding the recent, abrupt and unexplained Department of Interior (DOI) notice that the distribution of Payment in Lieu of Taxes (PILT) funds would be delayed until “late July.” Nearly 2000 counties in 49 states that are due to be paid their PILT funds in June of each year will be affected by this action.

*“There needs to be an explanation for this delay and it needs to come quickly. This is a matter of basic competence – something serious has gone wrong and the Secretary has a duty to fully explain it publicly, not just post a two sentence notice on the Internet. The essential services and operations of hundreds and hundreds of local governments are potentially at risk,” said Ranking Member Hastings.*

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.

### **[Full text of letter:](#)**

Dear Secretary Salazar:

I am writing with great concern over the Department of Interior’s sudden and unexpected June 16<sup>th</sup> announcement that a significant delay in the distribution of Payment in Lieu of Taxes (PILT) will occur and not be resolved until “late July.” **This delay is unacceptable and threatens the finances of communities across the country at a time when their budgets can least afford to suffer serious disruptions, especially late payments by the federal government.**

It’s deeply troubling that a program such as PILT, which has been operating since its creation in 1976, can experience “unavoidable circumstances” that could lead to such a

significant delay in payment distribution. Even more troubling is the complete lack of any public explanation for the Department's actions. The lack of openness and transparency on such a serious matter is astounding.

I respectfully request that the Department provide a prompt, public and complete explanation for its actions, including a detailed explanation of what has caused the "unavoidable circumstances." In addition, I ask that you precisely communicate the steps you are taking as Secretary to rectify this situation as soon as possible, to provide a more precise timeline than "late July" of when PILT payments will occur, and what the Department is doing to mitigate the possible ramifications this may have on the ability of some local governments to provide essential services.

America's rural counties have been disproportionately hit by the recession, and many rely on PILT funds to maintain basic operations, especially those with predominantly federally-owned land as PILT substitutes for the payment of local property taxes. A delay in PILT funds could seriously put at risk the ability of some local governments to function – some could even struggle to pay, or outright fail to be able to pay, their bills and sustain essential services. The work of police, firefighters, teachers and many other vital public employees could be complicated or harmed by the Department's actions. The jobs of Americans could be very much at risk because of the Department's unexplained failure and delay.

Prompt explanation and action is needed now.

Sincerely,

Doc Hastings  
Ranking Member  
Committee on Natural Resources

# # #

<http://republicans.resourcescommittee.house.gov>

[Facebook](#) | [YouTube](#) | [Twitter](#)