



AGENDA ITEM NO.
C-5

COUNTY OF HUMBOLDT

For the meeting of: July 28, 2015

Date: July 23, 2015

To: Board of Supervisors

From: Supervisor Rex Bohn

Subject: Letter to Governor Brown expressing concerns related to Past PILT (payment in lieu of taxes) funding being removed from budget bills process

RECOMMENDATION(S): That the Board of Supervisors authorizes the Chair to sign the letter.

SOURCE OF FUNDING: N/A

DISCUSSION: The Board is concerned about the future of PILT (Payment in Lieu of Taxes) funding. While the 2015-16 state budget does contain funding for PILT, a trailer bill, SB 83, changes current statutory language to make future PILT payments permissive rather than mandatory. These discretionary funds are vital to Humboldt County in providing public safety functions such as law enforcement through our Sheriff and Probation departments, as well as the prosecution of crimes.

The Board is sending a letter to Governor Brown requesting that the Legislature revisit the PILT funding issue and that the state upholds its commitment to counties by ensuring future PILT payments to California's most needy counties.

FINANCIAL IMPACT: N/A

OTHER AGENCY INVOLVEMENT: N/A

ALTERNATIVES TO STAFF RECOMMENDATIONS: Board discretion.

ATTACHMENTS: Proposed letter.

Prepared by Kathy Hayes Signature 

REVIEW: Auditor _____ County Counsel _____ Personnel _____ Risk Manager _____ Other _____

TYPE OF ITEM:
 Consent
 Departmental
 Public Hearing
 Other _____

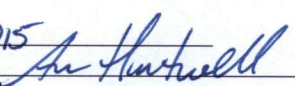
PREVIOUS ACTION/REFERRAL:
 Board Order No. _____

Meeting of: _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT
 Upon motion of Supervisor Bass Seconded by Supervisor Lovelace

Ayes Lovelace, Fennell, Bohn, Bass
 Nays _____
 Abstain _____
 Absent Sundberg

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

1 Dated: July 28, 2015
 By: 
 Kathy Hayes, Clerk of the Board



**BOARD OF SUPERVISORS
COUNTY OF HUMBOLDT**

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Telephone (707) 476-2390 Fax (707) 445-7299

July 28, 2015

The Honorable Jerry Brown
Governor of the State of California
State Capitol Building
Sacramento, CA 95814

Re: Payment in Lieu of Taxes (PILT)

Dear Governor Brown:

The Humboldt County Board of Supervisors is writing to express its appreciation regarding funding in the 2015-16 state budget for Payments in Lieu of Taxes (PILT), but also to express its concern for the future of this funding. The nearly \$644,000 appropriated in the 2015-16 state budget for PILT helps affected counties, including Humboldt. However, more action needs to be taken to address this issue, and the Board is disappointed in the decision of the Department of Finance to insist that past PILT payments be removed from the budget bills process.

As you know, the California Department of Fish and Wildlife has owed 36 counties roughly \$8 million in back PILT payments since the 2001-02 fiscal year, when a partial payment was made. Humboldt County is owed, through fiscal year 2014-15, approximately \$482,159. While these funds may not seem significant to the state, I can assure you these discretionary funds are significant to Humboldt County. The majority of Humboldt County's discretionary funds provide public safety functions such as the law enforcement through our Sheriff and Probation departments, as well as the prosecution of crimes.

The Board applauds Senator Wolk's efforts in Senate Budget and Fiscal Review Committee to try and keep the one-time payment of \$8 million in the budget despite opposition. Unfortunately, one of the trailer bills, SB 83, changes current statutory language to make future PILT payments permissive rather than mandatory. When PILT was being debated on the floor, several Senators expressed concern over the state's failed commitment to counties in this regard. The Board shares these concerns and remains interested in future appropriations for this purpose.

The Board is hopeful that when the Legislature returns from its summer recess this topic can be successfully revisited so that this one-time \$8 million payment against the "wall of debt" the state has amassed can be approved to the neediest of counties.

Sincerely,

A handwritten signature in blue ink that reads "Estelle Fennell". The signature is fluid and cursive, with the first name "Estelle" and last name "Fennell" clearly legible.

Estelle Fennell, Chair
Humboldt County Board of Supervisors

EF:kh

cc: Senator Lois Wolk
Shaw/Yoder/Antwih
Rural County Representatives of California
California State Association of Counties
Senator Mike McGuire