



United States Department of the Interior

OFFICE OF THE SECRETARY

Washington, DC 20240

October 30, 2015

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Ravalli County Commissioners

Ravalli County
Local Government Official
215 S 4Th Street
Hamilton, MT 59840-2703

Dear County Official:

I am pleased to notify you that on October 30, 2015, the Department of the Interior (Interior) issued payments to eligible local governments under the Payments in Lieu of Taxes (PILT) program. The PILT program compensates local jurisdictions for Federal lands administered by agencies within the Department and on behalf of the U.S. Forest Service and the U.S. Army Corps of Engineers. The PILT payments may be used for any governmental purpose, including important community services such as emergency response, public schools, and roads. Since counties and other local jurisdictions are prohibited from taxing Federal lands, annual PILT payments help to defray costs associated with maintaining services that support these lands within their boundaries.

The Payments in Lieu of Taxes Act, 31 U.S.C. 6901-6907, as amended, authorized the program. The PILT Act prescribes the formula used to compute the annual payments based on per acre and population variables, which are annually adjusted for inflation and census data. Prior year Federal payments under certain revenue sharing programs are deducted in formulating the payment amounts. These amounts are reported by your State through an annual reporting process. A provision in the PILT Act provides that temporary payments be made to compensate for recent additions to the National Park System and National Forest Wilderness areas.

Congress appropriated funding for the 2015 program through two legislative vehicles. On December 16, 2014, the President signed the Consolidated and Further Continuing Appropriations Act, 2015 (Public Law 113-235) which appropriated \$372 million in discretionary funding for PILT. In addition, on December 19, 2014, the President signed the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act (NDAA) for Fiscal Year 2015 (Public Law 113-291) which appropriated \$70 million in mandatory funding. Of the \$70 million, \$33 million was available for June 2015 payments and \$37 million became available on October 1, 2015. The Continuing Appropriations Act, 2016 (P.L. 114-53) directed that \$37 million be applied to the Fiscal Year (FY) 2015 PILT program. Since the \$37 million was included in the baseline for sequestration issued in the February 2, 2015, OMB Report to Congress on the Joint Committee Reductions for Fiscal Year 2016, these funds are subject to a 6.8 percent reduction for sequestration. The Department issued \$34,484,000 in payments to local governments in October 2015.

For October 2015, your county is entitled to a PILT payment of \$166,549.00. In addition, your county should have received a PILT payment in June for \$1,954,231.00. Your county's total payment for the FY 2015 PILT Payment program is \$2,120,780.00. If you provided current bank routing and account numbers for your county to our Interior Business Center office or to SAM (System of Awards Management), an electronic funds transfer for only the October payment amount was posted to your account on or about October 30, 2015. If this information was not available, a check was mailed to your county's address of record from the U.S. Treasury. Should you require further information, points of contact are provided in the list of Frequently Asked Questions at www.doi.gov/pilt. The website also includes information on how to register in SAM to expedite receipt of future PILT payments. Please contact the PILT Program Manager, Ms. Dionna Kiernan, at (202) 513-7783, if you have any questions.

Sincerely,

Kristen J. Sarri
Principal Deputy Assistant Secretary
Policy, Management and Budget