



RURAL COUNTY REPRESENTATIVES  
OF CALIFORNIA

April 28, 2015

The Honorable Richard Bloom  
Chair, Assembly Budget Subcommittee #3  
State Capitol, Room 2003  
Sacramento, CA 95814

**RE: Department of Fish and Wildlife – Item 3600 – Payment In-Lieu of Taxes  
Budget Trailer Bill RN 15 02736 (1/22/15)  
Hearing Date: May 13, 2015**

Dear Assembly Member Bloom:

On behalf of the thirty-four member counties of the Rural County Representatives of California (RCRC), I appreciate the opportunity to comment once again on the Governor's 2015-16 proposed State Budget appropriation for the Payment In-Lieu of Taxes (PILT) and related proposed budget trailer bill language. As you recall, the issue was heard in Assembly Budget Subcommittee #3 on March 4<sup>th</sup> and after hearing testimony, the item was left open.

#### Senate Budget and Fiscal Review Subcommittee #2

Following the Assembly Budget Subcommittee #3 hearing, the issue of PILT was heard in the Senate Budget and Fiscal Review Subcommittee #2 on April 9. The Senate Budget Subcommittee:

- Approved the budget item as proposed (\$644,000 General Fund);
- Approved the trailer bill language as provisional striking language making payments permissive; and,
- Added an \$8 million General Fund appropriation for payment of the PILT arrears owed to 36 counties.

#### Administration PILT Calculations

As you may recall, the Department and Fish and Wildlife's (DFW) 2014/2015 Unpaid In-Lieu Fees chart (dated May 16, 2014) estimated the past due amount of PILT payments owed to 36 counties to be \$18,682,283, and the annual PILT payment owed to these counties was estimated to be \$1,551,810. The DFW chart is attached.

In its proposed 2015-16 State Budget, the Administration has proposed to back-out the amount owed to counties based on a specified percentage identified as the property tax allocation for school districts. The remainder – in a total amount of \$643,817 - would be remitted to the 36 PILT counties. The Legislative Analyst's Office (LAO), utilizing the DOF school district percentage calculations, has estimated the PILT arrears (as of May 16, 2014) to be \$7,784,426.

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Proposed Budget Trailer Bill

The Administration has proposed Budget trailer bill language that would make PILT payments permissive by changing “**shall**” to “**may**”. RCRC must continue to oppose this change to existing law. A copy of the Administration’s proposed Budget trailer bill, RN 15 02736, is attached.

In conclusion, RCRC respectfully urges the Assembly Budget Subcommittee #3 to:

- Approve the Administration’s proposed PILT appropriation of \$643,817 for Fiscal Year 2015-2016;
- Add an appropriation of \$8 million General Fund for payment of the arrears; and,
- Reject the Administration’s proposed changes to Fish and Game Code 1504 (a), (c), (e), and (f).

RCRC appreciates your consideration of this request. I will be contacting your office to request a meeting in the near future. In the meantime, please feel free to contact me at (916) 447-4806 or [kmannion@rcrcnet.org](mailto:kmannion@rcrcnet.org) with any questions you may have.

Sincerely,



KATHY MANNION  
Legislative Advocate

cc: The Honorable Jerry Brown, Governor of the State of California  
Members of Assembly Budget Subcommittee #3  
Assembly Member Richard Gordon  
Assembly Member Jay Obernolte  
Assembly Member Jim Patterson  
Assembly Member Das Williams  
Committee Consultant  
Republican Consultant  
Director Michael Cohen, Department of Finance  
Director Chuck Bonham, Department of Fish and Wildlife

Attachments

- Department of Fish and Wildlife Chart (dated May 16, 2014)
- Department of Finance 2015-2016 PILT Calculation Chart
- RN 15 02736 dated 1/22/15

**Unpaid In-lieu Fees (Department Estimates, May 16, 2014)**

<b>County</b>	<b>FY 2014/15</b>	<b>2013/14</b>	<b>2012/13</b>	<b>2011/12</b>	<b>2010/11</b>	<b>2009/10</b>	<b>2008/09</b>	<b>2007/08</b>	<b>2006/07</b>	<b>2005/06</b>	<b>2004/05</b>	<b>2003/04</b>	<b>2002/03</b>	<b>2001/02</b>	<b>2000/01</b>	<b>1999/00</b>	<b>1998/99</b>	<b>Totals</b>
Alpine	42,891	42,891	42,891	42,891	42,891	42,891	42,891	42,891	42,891	42,891	42,891	42,891	42,891		0	0	0	557,587
Butte	99,007	99,007	99,007	99,007	96,971	97,272	97,272	97,272	97,272	97,272	97,272	97,272	97,100	60,369	0	0	0	1,331,376
Colusa	3,551	3,551	3,551	3,551	3,551	3,551	3,551	3,551	3,551	3,436	3,091	3,091	3,091	0	0	0	0	44,671
Del Norte	59,848	59,848	59,848	59,848	59,848	59,848	59,816	58,739	57,196	48,431	38,593	29,439	27,821	398	0	0	0	679,519
Fresno	15,469	15,469	15,469	15,469	15,469	15,469	15,469	15,469	15,469	15,469	15,469	15,469	15,469	15,469	0	0	0	216,569
Glenn	59,150	59,150	59,150	59,150	59,150	59,150	59,150	59,150	59,150	59,066	58,812	57,765	57,411	0	0	0	0	765,408
Humboldt	44,778	44,778	44,778	35,957	35,631	35,631	35,631	35,331	33,929	33,929	33,929	33,929	33,929	0	0	0	0	482,160
Imperial	8,876	8,876	8,876	8,876	8,876	8,876	8,876	8,876	8,876	8,876	8,876	8,876	8,876	0	0	0	0	115,391
Inyo	858	858	858	858	858	858	858	858	858	858	858	858	858	0	0	0	0	11,157
Lake	16,883	16,883	16,883	16,883	16,883	16,883	16,883	16,883	16,883	16,883	16,883	16,883	15,374	15,374	0	0	0	216,462
Lassen	65,817	65,817	65,817	65,817	65,817	65,817	65,817	65,817	65,817	65,817	65,817	63,229	63,229	0	0	0	0	848,263
Madera	2,708	2,708	2,708	2,708	2,708	2,708	2,708	2,708	2,708	2,708	2,708	2,708	2,708	0	0	0	0	35,207
Marin	29,857	29,857	29,857	29,857	29,857	29,857	29,857	29,857	29,857	29,857	29,857	29,857	21,942	21,459	0	0	0	401,682
Merced	88,827	88,827	88,827	88,827	88,827	88,827	84,717	84,717	84,717	84,717	84,390	77,904	75,242	75,242	0	0	0	1,184,606
Modoc	45,623	45,623	45,623	45,623	45,623	45,623	45,623	45,623	45,623	45,623	45,623	41,756	41,756	0	0	0	0	585,369
Mono	28,136	28,136	28,136	28,136	28,136	28,136	28,136	28,136	28,136	28,136	28,136	28,136	28,136	0	0	0	0	365,770
Monterey	9,991	9,991	9,991	9,991	9,991	9,991	9,705	9,277	9,277	9,277	9,277	9,277	9,277	9,277	0	0	0	134,588
Napa	137,545	137,545	137,545	137,545	137,545	137,545	135,100	131,722	131,722	114,659	94,488	83,440	61,150	0	0	0	0	1,577,547
Nevada	12,299	11,465	11,465	11,465	11,465	9,169	9,131	9,131	9,131	9,131	9,131	9,131	6,434	0	0	0	0	128,548
Placer	16	16	16	16	16	16	16	16	16	16	16	16	16	16	0	0	0	219
Plumas	5,948	5,948	5,948	5,948	5,948	5,948	5,948	5,948	5,948	5,948	5,948	5,948	5,948	0	0	0	0	77,325
Riverside	249,971	243,525	243,520	243,486	243,486	243,486	243,486	237,825	199,495	190,209	190,209	147,882	104,577	82,159	30,935	29,584	24,159	2,947,980
San Bernardino	5,489	5,489	5,489	5,489	5,489	5,489	5,489	5,489	5,489	5,489	5,489	5,489	5,489	4,104	0	0	0	75,459
San Diego	122,445	122,445	122,445	99,905	53,529	53,529	53,529	53,529	49,894	48,367	48,367	31,252	12,960	10,953	5,330	4,244	0	892,721
San Luis Obispo	39	39	39	39	39	39	39	39	39	39	39	39	39	39	0	39	0	581
Shasta	11,652	11,652	11,652	11,652	11,652	11,652	10,565	7,123	7,123	7,123	7,123	4,339	4,276	0	0	0	0	117,582
Sierra	62,557	62,557	62,557	62,557	62,557	62,557	62,557	62,557	62,557	62,557	54,296	43,030	36,410	0	0	0	0	759,309
Siskiyou	51,252	51,252	51,252	51,252	51,252	51,252	51,252	51,252	51,252	51,252	51,252	51,252	51,356	0	0	0	0	666,383
Solano	43,671	43,671	43,671	43,671	43,671	43,671	43,671	43,671	43,671	43,671	43,671	43,671	43,509	43,466	0	0	0	611,025
Sonoma	19,902	19,902	19,902	19,902	19,902	19,902	19,902	19,902	19,902	19,902	19,902	19,902	19,902	19,902	19,902	0	0	298,534
Stanislaus	799	799	799	799	799	799	799	799	799	799	799	799	799	799	0	799	0	11,984
Sutter	20,630	20,630	20,630	20,630	20,630	20,630	20,630	20,630	20,630	20,630	20,630	20,630	20,630	217	0	0	0	268,401
Tehama	7,961	7,961	7,961	7,961	7,961	7,961	7,961	7,961	7,961	7,961	7,961	7,961	7,961	0	0	0	0	103,487
Tulare	444	444	444	444	444	444	444	444	444	444	444	444	444	0	444	444	444	7,549
Yolo	114,511	114,511	114,511	114,511	114,511	114,511	114,511	114,511	114,511	114,511	114,511	113,277	112,391	47,863	0	0	0	1,533,148
Yuba	62,409	62,409	51,492	48,668	48,668	48,668	46,049	44,444	43,950	43,950	43,950	43,950	39,634	476	0	0	0	628,719
<b>Total</b>	<b>1,551,810</b>	<b>1,544,530</b>	<b>1,533,607</b>	<b>1,499,388</b>	<b>1,450,650</b>	<b>1,448,656</b>	<b>1,438,023</b>	<b>1,422,149</b>	<b>1,376,744</b>	<b>1,339,904</b>	<b>1,298,532</b>	<b>1,190,282</b>	<b>1,079,034</b>	<b>392,651</b>	<b>56,611</b>	<b>35,110</b>	<b>24,603</b>	<b>18,682,283</b>

## 2015-16 Governor's Budget Payments In-Lieu of Taxes Calculations

County	Estimated 2014/15 In- Lieu Fee <sup>1</sup>	Property Tax Allocation for School Districts (%) <sup>2</sup>	Property Tax Allocation for School Districts (\$)	Final 2014/15 In- Lieu Fee Amount
Alpine	\$42,891	26%	\$11,152	\$31,739
Butte	99,007	60	59,404	39,603
Colusa	3,551	52	1,847	1,704
Del Norte	59,848	65	38,901	20,947
Fresno	15,469	64	9,900	5,569
Glenn	59,150	70	41,405	17,745
Humboldt	44,778	66	29,553	15,225
Imperial	8,876	58	5,148	3,728
Inyo	858	61	523	335
Lake	16,883	57	9,623	7,260
Lassen	65,817	71	46,730	19,087
Madera	2,708	77	2,085	623
Marin	29,857	61	18,213	11,644
Merced	88,827	69	61,291	27,536
Modoc	45,623	65	29,655	15,968
Mono	28,136	44	12,380	15,756
Monterey	9,991	64	6,394	3,597
Napa	137,545	67	92,155	45,390
Nevada	12,299	57	7,010	5,289
Placer	16	64	10	6
Plumas	5,948	68	4,045	1,903
Riverside	249,971	47	117,486	132,485
San Bernardino	5,489	43	2,360	3,129
San Diego	122,445	62	75,916	46,529
San Luis Obispo	39	63	25	14
Shasta	11,652	66	7,690	3,962
Sierra	62,557	34	21,269	41,288
Siskiyou	51,252	70	35,876	15,376
Solano	43,671	46	20,089	23,582
Sonoma	19,902	61	12,140	7,762
Stanislaus	799	75	599	200
Sutter	20,630	66	13,616	7,014
Tehama	7,961	68	5,413	2,548
Tulare	444	62	275	169
Yolo	114,511	56	64,126	50,385
Yuba	62,409	70	43,686	18,723
<b>Totals</b>	<b>\$1,551,810</b>	<b>-</b>	<b>\$907,994</b>	<b>\$643,817</b>

1. Based on Department of Fish and Wildlife Estimates

2. Based on Board of Equalization property tax information  
Amounts in whole dollars

## LEGISLATIVE COUNSEL'S DIGEST

Bill No.

as introduced, \_\_\_\_\_.

General Subject: Fish and game: wildlife management areas: payment of taxes and assessments.

Existing law regulates the acquisition of real property acquired and operated by the state as wildlife management areas, and requires the Department of Fish and Wildlife, when income is directly derived from real property acquired and operated by the state as a wildlife management area, as provided, to annually pay to the county in which the property is located an amount equal to the county taxes levied upon the property at the time the property was transferred to the state. Existing law further requires the department to pay the assessments levied upon the property by any irrigation, drainage, or reclamation district, and requires all of those payments to be from funds available to the department.

This bill would, instead, authorize the department to pay those amounts for taxes and assessments on the property, and would require that those payments only be made



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RN 15 02736 PAGE 1

An act to amend Section 1504 of the Fish and Game Code, relating to  
fish and wildlife.



15027360785BILL

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 1504 of the Fish and Game Code is amended to read:

1504. (a) When income is derived directly from real property acquired and operated by the state as a wildlife management area, and regardless of whether income is derived from property acquired after October 1, 1949, the department ~~shall~~ may pay annually to the county in which the property is located an amount equal to the county taxes levied upon the property at the time title to the property was transferred to the state. The department ~~shall~~ may also pay the assessments levied upon the property by any irrigation, drainage, or reclamation district.

(b) Any delinquent penalties or interest applicable to any such of those assessments made ~~prior to~~ before September 9, 1953, are hereby canceled and shall be waived.

(c) Payments provided by this section shall only be made from funds available that are appropriated to the department for the purposes of this section.

(d) As used in this section, the term "wildlife management area" includes waterfowl management areas, deer ranges, upland game bird management areas, and public shooting grounds.

(e) ~~Payments~~ Any payments made under this section shall be made on or before December 10 of each year, excepting with the exception of newly acquired property for which payments shall be made pursuant to subdivision (f).

(f) ~~Payments~~ Any payments made for the purposes of this section shall be made within one year of the date title to the property was transferred to the state, or within 90 days from the date of designation as a wildlife management area, whichever occurs



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RN 15 02736 PAGE 3

first, prorated for the balance of the year from the date of designation as a wildlife management area to the 30th day of June following the date of designation as a wildlife management area, and, thereafter, payments shall be made on or before December 10 of each year.

(g) Notwithstanding any other law, payments provided under this section shall not be allocated to a school district, a community college district, or a county superintendent of schools.

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