

March 28, 2017

1100 K Street
Suite 101The Honorable Ricardo Lara
Chair, Senate Appropriations Committee
State Capitol, Room 2206
Sacramento, CA 95814

Telephone 916.327.7500 Facsimile 916.441.5507

RE: SB 58 (McGuire) – Wildlife management areas: payment of taxes and assessments As introduced December 12, 2016 – SUPPORT Set to Be Heard April 3, 2017 – Senate Appropriations Committee

Dear Senator Lara:

The California State Association of Counties (CSAC) supports SB 58 by Senator Mike McGuire, a measure related to Payment in Lieu of Taxes funding.

The Department of Fish and Wildlife (DFW) operates wildlife management areas throughout the state. Existing law (Fish and Game Code §1504) allows DFW to compensate counties for loss property taxes and assessments as a result of the establishment of a wildlife management area. These "payments in-lieu of taxes" (PILT) are equal to the county taxes levied upon the property at the time the state acquired the property plus any assessments levied upon the property by any irrigation, drainage, or reclamation district.

SB 58 would reverse a change in PILT statue that makes the program permissive rather than required. The 2015-16 final State Budget Package changed Fish and Game Code Section 1504 to make State PILT payments permissive by changing the *'shall'* pay to *'may '* pay. SB 58 will return the *'may '* back to *'shall.'*

While CSAC appreciates the inclusion of funding in the State Budget for PILT in recent fiscal years after more than a decade of non-payment, we are concerned that future Administrations may choose to simply not make State PILT payments. SB 58 will help ensure that PILT payments are made to counties both today and in the future.

It is for these reasons that CSAC supports SB 58. Should you have any questions regarding our position, please feel free to contact me at 916-327-7500, ext. 504, or <u>cmartinson@counties.org</u>

Sincerely,

Cara Martinson Legislative Representative

cc: Honorable Mike McGuire, California State Senate Senate Bill 58 Co-Authors: Senators Dodd, Nielsen and Roth; Assembly Members Bigelow, Dahle and Wood Members, Senate Appropriations Committee Narisha Bonakdar, Senate Appropriations Committee Consultants Todd Moffitt, Republican Consultant