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Mark L. Bellamy, Jr.



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January 6, 2026

The Honorable Robert “Bobby” Scott  
United States Congressman  
and the Honorable Virginia Congressional Delegation  
2328 Rayburn House Office Building  
Washington, DC 20515

**Subject: Support for Equitable Reform of the Federal Payment in Lieu of Taxes (P.I.L.O.T.) Program**

Dear Congressman Scott and the Members of the Virginia Congressional Delegation:

On behalf of York County, I write to express our strong support for a comprehensive review and modernization of the federal Payment in Lieu of Taxes (P.I.L.O.T.) program. As a municipality that hosts a significant concentration of federally occupied properties, many of which are exempt from local real estate taxation, we urge you to consider the unintended consequences this exemption has and continues to have on local governments across the great Commonwealth of Virginia.

Federally owned properties, while vital to national operations, place real and growing demands on local infrastructure, public safety, education systems, and essential services. Unlike private businesses or taxable entities, these federal facilities do not contribute to the local revenue base through property taxes, despite benefiting from the same municipal services funded by those taxes. This imbalance creates a fiscal strain on counties like ours, which must shoulder the costs of supporting federal operations without receiving a fair and equitable share of revenue in return.

The current structure of the federal P.I.L.O.T. program does not adequately compensate local governments for the loss of tax revenue or the increased service burden associated with hosting federal facilities. We believe this is a matter of fairness and sustainability. Updating the program to reflect the true cost of municipal support would empower cities to reinvest in the very infrastructure and services that make federal operations possible—such as improved schools, resilient transportation networks, and enhanced emergency response capabilities.

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*A Hampton Roads Community*

We respectfully request that the Virginia Congressional Delegation champion a renewed effort to study and reform the federal P.I.L.O.T. program. Specifically, we ask that you consider legislation that:

1. Expands eligibility and funding levels to reflect better the scale and impact of federal property holdings in local jurisdictions.
2. Establish a more transparent and equitable formula for compensation based on service demands and lost revenue.
3. Prioritize investments in infrastructure in communities that host federal facilities.

York County stands ready to support this effort and collaborate with our federal partners to ensure that Virginia's municipalities are not disadvantaged by their role in supporting our nation's operations.

We thank you for your continued leadership and commitment to the well-being of our communities.

Sincerely,



Sheila S. Noll, Chairman  
York County Board of Supervisors

Copy to: York County Board of Supervisors  
Mark L. Bellamy, Jr., County Administrator