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Impact fees for schools not a perfect solution

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At the heart of the debate over charging an impact fee to pay for new schools is equity.

Is it fair to levy a fee on a home that might not house children who will add to school overcrowding?

Is it fair to keep increasing the property taxes of longtime property owners who have already paid for school facilities? If not for these new homes, would we need to build more schools?

Impact fees for roads, parks, libraries and fire protection are easier to argue. All new residents can avail themselves of these public services.

Still, the community as a whole benefits from a good education system, and the retirees who move here come with a demand for goods and services that are met by people with children. If it weren't so, we wouldn't be where we are today, getting ready to vote in April on whether to spend tens of millions of dollars -- again -- to build new schools.

The key to school impact fees and any other impact fees is to meet the court-tested criteria hammered out over the several decades such fees have been used to pay for new growth and spelled out in detail in the South Carolina statute allowing impact fees for roads, parks, libraries and fire protection.

There must be a reasonable connection between the "need" for additional facilities and new development, and it must be shown that the fee payer will benefit. The fee also must be based on a formula that calculates the new development's "fair share." This isn't supposed

to be a free ride for longtime residents.

That's also important because neither should impact fees be

a free ride for elected officials.

Tapping incoming residents or out-of-town owners is easy because they didn't vote these officials into office. Elected and other public officials must be accountable for how they spend tax dollars, whether it comes from next door or the next state over.

Beaufort County's interim solution of "negotiating" a school impact fee of \$6,000 per home under new development agreements doesn't pass the equity test if municipalities don't charge the fee under their development agreements. This plan got a boost from Bluffton's joining in, but most of the territory under Bluffton's aegis already is covered by existing development agreements, and homes and businesses there wouldn't be subject to the fee. We'll still have many new homes built and families moving in without a school fee being collected.

That \$6,000 also is a relatively high figure, especially when added to existing impact fees. It could shape the decision of many people on whether to buy a new home here, and that is a key component of our economy.

Where does this leave us? With a bad situation and no ideal answer. The bottom line is we need more options than we have. State lawmakers should give communities the choice to levy school impact fees. School impact fees would help reduce the burden on existing residents. There's no question about it. And we need more money to pay for new schools, especially in the Bluffton area. Areas of the state that don't want school impact fees or don't need them, don't have to collect them. It's called Home Rule, and that is in the state constitution.

And lawmakers who would vote to exempt resident homeowners from school operating taxes and cap reassessments at 15 percent over five years have no business talking about "fairness." Tell that to the new homeowner who pays taxes on his full purchase price while his neighbor pays taxes on an artificially capped value for the same government services. Or tell that to the out-of-state property owner paying property taxes for school operations. Lawmakers who object to school impact fees as an equity issue talk out of both sides of their mouths.

For their part, local governments must slice this calculation very thinly and precisely to resist the temptation to unload more onto new residents than they should. The Beaufort County School District and county officials worked hard to come up with a fair valuation for the new fee under development agreements. The documentation is voluminous. That's as it should be.

In the end, new homeowners will pay for new schools and all the other services they demand, whether it's collected in impact fees now or additional property taxes later. It's a question of timing and how much the rest of us pay.

What we need most are government officials who will do a better job of watching out for all our interests, making hard decisions about when, where and how much new development comes our way and recognizing that there's a price to pay for all this growth.

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