

## If you want to spend it, raise it

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Once upon a time, we paid taxes to local governments and, in exchange, local governments provided services.

County supervisors and members of the city council levied taxes. It was all open and public, and the meetings where tax rates were set were the most heavily attended of the year.

Essentially, if supervisors and council members wanted to spend money, they had to raise it, and sensitive politicians knew that taxpayer backlash could toss them from office at the next election. It regularly happened.

It was a system that assigned responsibility where it belonged: To local people who were elected to office by their fellow citizens.

Today, in the Alice-in-Wonderland world of local government finance, no one's really responsible for much of anything, except spending money raised or controlled by others.

The sales tax? It can't be raised without voter approval.

Property taxes? They're restricted by Proposition 13 and subsequent laws and ballot initiatives.

Tulare County's biggest source of money, 68 percent in the year that ended June 30, 2009, are the state and federal governments. Hardly any local control there.

It's hardly a system that encourages thoughtful use of the taxpayers' dollars. Cities and counties scramble for federal and state grants without anyone asking whether the money needs to be spent. State and federal departments that pass out billions have no way of checking whether the money was spent properly and what the results were.

To local officials, it's grant money, not tax dollars. But government grants come from taxes; they just have a different name and a different way of being doled out.

The only uncontrolled sources of revenue left to local governments are fees and permits, charges for a bewildering array of what used to be called government services.

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To cities and counties, fees have become a lifeline. For Tulare County, for example, in the last 10 years, they have become the fastest-growing source of revenue, growing 112 percent. In the year that ended June 30, 2009, they represented 13.5 percent of the county's total income, up from 10 percent 10 years earlier. For cities, the story is similar.

And more are coming.

Before the Board of Supervisors on Tuesday was a dizzying array of new and increased fees that the county's massive Resources Management Agency wants to charge for building and zoning permits.

The agency estimates that the new and increased fees, not yet acted upon because public notice requirements were not met, will net the department about \$330,000 in the year starting July 1.

Then there's the plan for a county impact fee.

Impact fees are assessed by cities to cover the cost of new infrastructure required by new development, things like roads, sewers, schools, police and fire service. The county has never had an impact fee. Now it wants one that could apply not only to residents in the unincorporated area but also to development within cities. It argues that there are county costs that result from in-city development.

The impact of the impact fee, as tentatively proposed? For a single-family home in Visalia, the county would charge \$6,505 on

top of the city fees of \$9,694.

Fees are a safe way for local elected officials to raise what are really hidden taxes. No supervisor or city council member is likely to get in big trouble for raising the fee for a building permit by \$50.

Our tax system was turned upside down in the scramble to support local schools and government after the passage of Proposition 13. It's now time to turn it right-side up.

Let local citizens decide how they will be taxed. Then give local officials the responsibility for raising the money if they want to spend it, and for spending it carefully.

And if they screw it up, get rid of them.

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