

POCONO RECORD

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Impact-fee bill would aid Poconos

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HARRISBURG — A new bill to establish growth impact fees is creating a stir here because there's a dollar sign attached to it.

Seeking to address the impact of population growth in the Gettysburg and Chambersburg areas, three Republican lawmakers propose giving municipal officials in fast-growing counties authority to levy building excise fees of up to \$13,000 per house in smaller new developments and up to \$26,000 per house in large-scale new developments.

The legislation by Reps. Stephen Maitland, R-Adams; Pat Fleagle, R-Franklin and Rob Kauffman, R-Franklin, would affect the Poconos as well if it becomes law.

Seventeen of Pennsylvania's 67 counties, including Monroe, Pike, Wayne and Carbon, meet the bill's definition of fast-growth counties where officials could levy excise fees on new homes. This definition applies to counties where the population increased by 0.75 percent or more during each of three consecutive years.

The bill sponsors say local officials need "special powers" to address problems created by rapid growth. They point out that growth puts demands on public schools, police, emergency services, roads and water and sewer systems.

Impact fee money could be used to break a cycle in which local officials are continually forced to hike taxes in order to pay for costs associated with new development, said Maitland in a phone interview Tuesday.

In addition to the municipal excise fees, the legislation would give county officials authority to levy an additional realty transfer tax at a rate of 1 percent on real estate transactions. The revenues from this tax would be split 50-50 between school districts and county-run programs to preserve farmland and open space.

In addition, municipal officials would have authority to adopt moratoriums on new building permits if they determine the development would exceed the capacity of roads and utilities.

The Pennsylvania General Assembly has debated impact fee bills for the past 20 years, but few have been as specific as this one in delineating a fee such as \$13,000.

Maitland said the proposed \$13,000 figure is based on an impact fee in use in the Hagerstown, Md. area and on research by a group of local officials addressing growth in south-central Pennsylvania.

However, Maitland said he is willing to negotiate provisions like the building excise fee and the definition of growth counties.

The key point is to tie an impact fee to the cost of services, said Maitland. Otherwise, courts could say it amounts to an unlawful taking of property.

Monroe County Rep. Mario Scavello is a bill co-sponsor. Scavello supports the basic idea behind the legislation, but he says a lot of details still need to be ironed out, including the excise fee. Scavello said it would be better to base such a fee on the price of a house so it's more affordable to individual home buyers.

The last major debate on impact fees came when a state law was enacted in 2000 giving local officials incentives to join in regional planning.

The Pennsylvania Builders Association has successfully blocked impact fee bills in the past by lining up support from lawmakers in economically depressed areas where development is wanted.

PBA spokesman Scott Elliott said this new bill will only stifle growth in the few areas of Pennsylvania that are doing well economically.

"If you are trying to buy your first home, that excise fee could knock you right out of the ballpark," he added.