

LEGISLATIVE REPORT

SUBJECT:	School Impact Fees
REFERENCE:	Act 245, SLH 2007 (HB 19, HD2, SD2, CD1)
ACTION REQUESTED:	Requires the DOE to implement a law establishing school impact fees from the developers of new residential development to offset the impact of the new development on public school facilities.
DOE REPORT:	<p>Legislative Background. The Legislature in 2007 passed Act 245 (HB19, HD2, SD2, CD1), requiring the Department of Education (DOE) to begin charging developers of new residential units an impact fee comprised of land or money. The fees would be used for new or enlarged public school facilities. The bill included a formula for calculating land and money amounts.</p> <p>Act 245 requires the identification of districts where the impact fees will be imposed and an impact fee analysis for each of the proposed districts.</p> <p>No funding was provided for the required analysis.</p> <p>Status Report on Act 245. The DOE does not have excess staff time it can dedicate to do the analysis required in the 12 months following the Act's enactment, which was in early July 2007. The DOE will be using other program funds to hire a planning consultant.</p> <p>The DOE will task the consultant with implementing the requirements of Act 245. Initial discussions with the consultant are underway.</p>
FINDINGS:	Act 245 requires identification and analysis of school impact districts by July 2008. By that deadline the following actions will be taken: DOE's consultant will identify all potential districts; the BOE will take action on the first district; the consultant will conduct in-depth analysis of the first district; and the DOE will report on previous studies assessing alternative funding sources.
RECOMMENDATIONS:	None.