

Brian Carman: Proposed Florida impact fee moratorium a bad idea

By Brian Carman, guest columnist

Tuesday, March 17, 2009

Two bills recently introduced in the Legislature most likely will result in higher taxes for Florida's residents and, even worse, Florida business owners.

Senate Bill 630 (Mike Bennett, R-Bradenton) and House Bill 1129 (Denise Grimsley, R-Lake Placid) seek a three-year moratorium on impact fees for housing statewide. The bill's sponsors believe this will stimulate housing starts. Maybe that would be a good idea in some parts of the state, but here we have hundreds, if not thousands, of new or permitted homes unoccupied. We don't need this stimulus. This law is a crude violation of basic home-rule principles as it usurps authority from local governments.

Impact fees are charged to developers (and subsequently passed on to the home buyer) to offset at least a portion of local government's cost of installing roads, parks and libraries, solid waste, corrections, law enforcement, fire rescue, public buildings, and the already-struggling school system. These costs will occur; the only question is who will wind up paying for them?

The current system provides that the developer and future homeowner pay these costs. This is a "pay as you go" budgeting and planning philosophy. If a moratorium is mandated by the state, the impact fees go away, but the costs remain for already economically strapped county and city governments. These fees will ultimately be paid by the taxpayers.

But who among the taxpayers will pay? A majority of residences are protected by homestead exemption and the Save our Homes amendment, capping any increase to 3 percent or less. The shortfall will be made up by the few non-homesteaded properties; the bulk will be levied on the business community.

This is bad law and bad economic policy because the law would:

- Prevent local government officials from making planning and growth management decisions and impose a one-size-fits-all dictate from Tallahassee bureaucrats. This is big government at

its worst.

- Result in businesses subsidizing residential developers, some of whom are out-of-state businesses.
- Inhibit our ability to attract and bring in low-impact, high-tech businesses we desperately need.
- Cruelly penalize the thousands of homeowners, who have already paid impact fees and are now desperately trying to sell their homes.

This is not the time to increase business taxes, inhibit job growth and capital investment.

Make no mistake. This will result in a huge unfunded liability for local governments and take away our ability to manage growth on the local level. Please take the time to contact your state legislators to tell them that we need common sense and leadership to stop this effort.

Carman is executive director of the Indian River Neighborhood Association, based in Vero Beach.



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