

LEGISLATIVE REPORT

- SUBJECT:** Relating to Education - School Impact Fees
- REFERENCE:** Act 245, SLH 2007 (HB 19, HD2, SD2, CD1)
Act 188, SLH 2010 (SB 2828, SD1, HD3, CD1)
- ACTION REQUESTED:** Annual report on implementation of the school impact fees act.
- DOE REPORT:**
- Introduction:** The Legislature in 2007 passed Act 245 requiring the Department of Education (DOE) to charge housing developers an impact fee comprised of land and/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.
- 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. Each proposed district requires identification, analysis, a public hearing and BOE approval.
- In 2010, the Legislature passed Act 188 which clarified the methodology for analyzing the need for impact fees and for calculating the fee amounts.
- No funding was provided for the required analysis.
- Status Report on Act 245.**
- The DOE completed the impact fee analysis for West Hawaii in 2009. The Board of Education (BOE) adopted the West Hawaii District in 2010. Analysis of two proposed districts on Maui was reviewed by the BOE and the general public in 2010. Final BOE adoption of the Maui districts is expected in late 2010 or early 2011.
- In all three areas, the analysis indicated that the magnitude of residential development planned would generate significantly more students than the present schools can accommodate.

FINDINGS:

DOE has completed analysis of three districts: West Hawaii, Central Maui, and West Maui. Collection of fees is expected to begin in 2011.

RECOMMENDATIONS: None.