

FINAL BILL REPORT

ESHB 2842

Synopsis as Enacted

C 219 L 92

Brief Description: Prohibiting duplication of mitigation for system improvements.

By House Committee on Local Government (originally sponsored by Representatives Haugen, Ferguson, Cantwell, Wilson, Morris, Forner, R. Meyers, Wood, Peery, Paris, Miller, Carlson, Wynne, Mitchell and Hochstatter)

House Committee on Local Government
Senate Committee on Governmental Operations

Background:

Impact fees: Counties and cities that are required or choose to plan under all the requirements of the Growth Management Act may impose impact fees on certain development activity to finance some of the infrastructure needs and impacts arising from the development activity.

The ability of counties and cities to impose impact fees is restricted. A direct connection must exist between the fees and the actual impact of the development activity for which the impact fees are paid. Impact fees may not be arbitrary. Impact fees may not be duplicative of other fees or requirements placed upon the development activity. Impact fees may only be imposed if they are part of a package of funding sources to finance infrastructure needs.

Impact fees may only be imposed for: (1) public streets and roads; (2) publicly-owned parks, open space, and recreation facilities; (3) school facilities; and (4) city fire protection facilities. Further, impact fees may only be imposed to finance those public facilities if they are addressed in the capital facilities element of the new comprehensive plans that are required to be prepared.

Further restrictions exist where impact fees are imposed to partially finance public facilities designed to benefit the general public at large, as well as to the users of the development, which are referred to as "system improvements." Impact fees may not exceed the proportionate share of the costs of these system improvements that are reasonably related to the new development. Impact fees that are

imposed for these system improvements must reasonably benefit the new development.

State Environmental Policy Act: The State Environmental Policy Act (SEPA) requires every governmental agency to review its proposed major actions and determine if a probable significant adverse environmental impact will arise from the proposed action.

The review process involves a number of potential steps that could result in the preparation of an environmental impact statement for a proposed governmental action. However, very few proposed governmental actions result in the preparation of an environmental impact statement. Many actions are categorically exempted from the analysis. Proposed actions may be modified or actions may be taken to remove the probable significant adverse environmental impact. The action taken may include the payment of fees to compensate for the adverse impact. The SEPA analysis must consider any and all mitigation measures to determine if, after modification or after the mitigation measures have been taken, a probable significant adverse impact still would arise.

The SEPA analysis reviews a variety of subjects, including the probable impact of a governmental decision on public facilities.

Summary: A person who is required to pay an impact fee for system improvements under the Growth Management Act shall not be required to pay a fee under SEPA for the same system improvements.

A person who is required to pay a fee under SEPA for system improvements shall not be required to pay an impact fee for the same system improvements under the Growth Management Act.

Votes on Final Passage:

House	98	0
Senate	49	0

Effective: June 11, 1992