
Local Government Committee

HB 2730

Brief Description: Modifying impact fee provisions.

Sponsors: Representatives Clibborn, Ericksen, Moeller, Schindler, Morris, Ahern, Fromhold, Mielke, Quall and Talcott.

Brief Summary of Bill
<ul style="list-style-type: none">• Adds identical provisions to both the excise tax code and to state environmental policy statutes requiring that impact fees for residential construction be collected by the local governmental authority either: a) at the time of title transfer; b) 12 months after building permit issuance; c) at time of final inspection; or d) at time of issuance of certificate of occupancy.

Hearing Date: 2/5/04

Staff: Thamas Osborn (786-7129).

Background:

Impact fees generally. Under chapter 82.02 RCW (the excise tax code), counties, cities, and towns that plan under the major provisions of the Growth Management Act (GMA) are authorized to impose impact fees on development activity as part of the financing of public facilities. Impact fees are payments of money required of developers as a condition of development approval. Local governments are required to use impact fees to pay for certain public facilities that are made necessary as the result of a development and must ensure that such fees are:

- used only for system improvements that are reasonably related to the impact of the development on the use of public facilities;
- do not exceed a proportionate share of the cost of system improvements made necessary by the development; and
- are used for system improvements that reasonably benefit the new development.

Furthermore, in determining how system improvements are to be financed, a local government must provide for a balance between impact fees and other sources of public funds, and cannot rely solely on impact fees.

Environmental impact fees. The State Environmental Policy Act of 1971 (chapter 43.21C RCW) also allows local governments to assess impact fees for the costs associated with the mitigation of specific adverse environmental impacts that may result from a development.

Summary of Bill:

Impact fees for residential construction that are collectible under the excise tax code (chapter 82.02 RCW) or the state environmental policy act (chapter 43.21C RCW) shall only be collected either:

- at the time of title transfer to the occupant;
- 12 months after the building permit is issued;
- at the time of the final inspection of the residence; or
- at the time the certificate of occupancy is issued.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.