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## SENATE BILL 5580

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State of Washington 61st Legislature 2009 Regular Session

By Senators Pridemore, Brandland, Oemig, Fraser, Shin, Ranker, Rockefeller, Kline, Hargrove, Kauffman, Jarrett, Kohl-Welles, Murray, Marr, McDermott, and Tom

Read first time 01/27/09. Referred to Committee on Ways & Means.

- 1 AN ACT Relating to the time limits of school impact fee 2 expenditures; amending RCW 82.02.070; and adding a new section to 3 chapter 82.02 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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- 5 **Sec. 1.** RCW 82.02.070 and 1990 1st ex.s. c 17 s 46 are each 6 amended to read as follows:
  - (1) Impact fee receipts shall be earmarked specifically and retained in special interest-bearing accounts. Separate accounts shall be established for each type of public facility for which impact fees are collected. All interest shall be retained in the account and expended for the purpose or purposes for which the impact fees were imposed. Annually, each county, city, or town imposing impact fees shall provide a report on each impact fee account showing the source and amount of all moneys collected, earned, or received and system improvements that were financed in whole or in part by impact fees.
- 16 (2) Impact fees for system improvements shall be expended only in 17 conformance with the capital facilities plan element of the 18 comprehensive plan.

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(3)(a) Except as provided otherwise by (b) of this subsection, impact fees shall be expended or encumbered for a permissible use within six years of receipt, unless there exists an extraordinary and compelling reason for fees to be held longer than six years. Such extraordinary or compelling reasons shall be identified in written findings by the governing body of the county, city, or town.

- (b) School impact fees must be expended or encumbered for a permissible use within ten years of receipt, unless there exists an extraordinary and compelling reason for fees to be held longer than ten years. Such extraordinary or compelling reasons shall be identified in written findings by the governing body of the county, city, or town.
- (4) Impact fees may be paid under protest in order to obtain a permit or other approval of development activity.
- (5) Each county, city, or town that imposes impact fees shall provide for an administrative appeals process for the appeal of an impact fee; the process may follow the appeal process for the underlying development approval or the county, city, or town may establish a separate appeals process. The impact fee may be modified upon a determination that it is proper to do so based on principles of fairness. The county, city, or town may provide for the resolution of disputes regarding impact fees by arbitration.
- NEW SECTION. Sec. 2. A new section is added to chapter 82.02 RCW to read as follows:
  - Criteria must be developed by the office of the superintendent of public instruction for extending the use of school impact fees from six to ten years and this extension must require an evaluation for each respective school board of the appropriateness of the extension.

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