

FINAL BILL REPORT

SB 5580

C 263 L 09
Synopsis as Enacted

Brief Description: Concerning school impact fees.

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

Senate Committee on Ways & Means
House Committee on Local Government & Housing

Background: Jurisdictions that plan under the Growth Management Act (GMA) may impose impact fees on development activity as part of the financing of public facilities needed to serve new growth and development. This financing must provide a balance between impact fees and other sources of public funds and cannot rely solely on impact fees. Additionally, impact fees:

- may only be imposed for system improvements, a term defined in statute, that are reasonably related to the new development;
- may not exceed a proportionate share of the costs of system improvements; and
- must be used for system improvements that will reasonably benefit the new development.

Impact fees may be collected and spent only for qualifying public facilities that are included within a capital facilities plan element of a comprehensive plan adopted under the GMA. "Public facilities," within the context of impact fee statutes, are the following capital facilities that are owned or operated by government entities:

- public streets and roads;
- publicly-owned parks, open space, and recreation facilities;
- school facilities; and
- fire protection facilities in jurisdictions that are not part of a fire district.

Impact fees must be expended or encumbered within six years of receipt, unless there exists an extraordinary or compelling reason for fees to be held longer than six years. Extraordinary or compelling reasons must be identified in written findings by the governing body of the county, city, or town.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary: Expenditure or encumbrance provisions for certain impact fees are modified. School impact fees must be expended or encumbered within ten years of receipt, rather than six years, unless there exists an extraordinary or compelling reason for fees to be held longer than ten years. Extraordinary or compelling reasons must be identified in written findings by the governing body of the county, city, or town.

The Office of the Superintendent of Public Instruction must develop criteria for extending the use of school impact fees from six to ten years. The extension also requires an evaluation of each respective school board on the appropriateness of the extension.

Votes on Final Passage:

Senate	31	14
House	59	38

Effective: July 26, 2009