

Local Government Committee

BILL ANALYSIS HB 1489

TITLE OF THE BILL: Collecting impact fees at the time of title transfer.

WHAT THIS BILL DOES: *Requires local governments imposing impact fees to collect them at the time of certificate of occupancy or final inspection or twelve months after the building permit is issued.*

SPONSORS: Representatives Dunshee and McMorris

HEARING DATE: Monday, February 8, 1999

FISCAL NOTE: Not requested.

ANALYSIS PREPARED BY: Caroleen Dineen (786-7156)

BACKGROUND:

Counties and cities required or choosing to plan under the Growth Management Act may adopt an ordinance to impose impact fees upon new development. Impact fees may be imposed for:

- public streets and roads;
- publicly owned parks, open space and recreation facilities;
- school facilities; and
- city fire protection facilities.

Impact fees collect a proportionate share of costs for those system improvements reasonably related to the new development. These fees must be used to pay for those system improvements identified in the capital facilities element of the jurisdiction's comprehensive plan that reasonably benefit the new development. The local ordinance by which impact fees are imposed must include certain provisions, including a schedule of impact fees for each type of development activity, a credit for the value of land

dedicated for or new construction of system improvements, and a provision for adjustment of the standard impact fee under certain circumstances.

SUMMARY:

The local government ordinance by which impact fees are imposed must specify that impact fees for residential construction are collected at the time of certificate of occupancy or final inspection or twelve months after a building permit is issued.