

CERTIFICATION OF ENROLLMENT

SENATE BILL 5580

Chapter 263, Laws of 2009

61st Legislature
2009 Regular Session

SCHOOL IMPACT FEE EXPENDITURES--TIME LIMITS

EFFECTIVE DATE: 07/26/09

Passed by the Senate March 6, 2009
YEAS 31 NAYS 14

BRAD OWEN

President of the Senate

Passed by the House April 14, 2009
YEAS 59 NAYS 38

FRANK CHOPP

Speaker of the House of Representatives

Approved April 28, 2009, 4:32 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 5580** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

FILED

April 29, 2009

**Secretary of State
State of Washington**

SENATE BILL 5580

Passed Legislature - 2009 Regular Session

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:

5 **Sec. 1.** RCW 82.02.070 and 1990 1st ex.s. c 17 s 46 are each
6 amended to read as follows:

7 (1) Impact fee receipts shall be earmarked specifically and
8 retained in special interest-bearing accounts. Separate accounts shall
9 be established for each type of public facility for which impact fees
10 are collected. All interest shall be retained in the account and
11 expended for the purpose or purposes for which the impact fees were
12 imposed. Annually, each county, city, or town imposing impact fees
13 shall provide a report on each impact fee account showing the source
14 and amount of all moneys collected, earned, or received and system
15 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.

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

7 **(b) School impact fees must be expended or encumbered for a**
8 **permissible use within ten years of receipt, unless there exists an**
9 **extraordinary and compelling reason for fees to be held longer than ten**
10 **years. Such extraordinary or compelling reasons shall be identified in**
11 **written findings by the governing body of the county, city, or town.**

12 (4) Impact fees may be paid under protest in order to obtain a
13 permit or other approval of development activity.

14 (5) Each county, city, or town that imposes impact fees shall
15 provide for an administrative appeals process for the appeal of an
16 impact fee; the process may follow the appeal process for the
17 underlying development approval or the county, city, or town may
18 establish a separate appeals process. The impact fee may be modified
19 upon a determination that it is proper to do so based on principles of
20 fairness. The county, city, or town may provide for the resolution of
21 disputes regarding impact fees by arbitration.

22 NEW SECTION. Sec. 2. A new section is added to chapter 82.02 RCW
23 to read as follows:

24 Criteria must be developed by the office of the superintendent of
25 public instruction for extending the use of school impact fees from six
26 to ten years and this extension must require an evaluation for each
27 respective school board of the appropriateness of the extension.

Passed by the Senate March 6, 2009.

Passed by the House April 14, 2009.

Approved by the Governor April 28, 2009.

Filed in Office of Secretary of State April 29, 2009.