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**HOUSE BILL 1135**

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**State of Washington 68th Legislature 2023 Regular Session**

**By** Representatives Slatter, Walen, Reed, Berry, Ramel, Fitzgibbon, Doglio, Wylie, Pollet, Kloba, and Tharinger

AN ACT Relating to authorizing impact fee revenue to fund improvements to bicycle and pedestrian facilities; amending RCW 82.02.090; and creating a new section.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  The legislature finds that increasing numbers of people are utilizing transportation and commuting options that do not primarily involve the use of public roadways. These options include trails designed to allow for transportation and commuting without the use of motorized transport. These transportation and commuting options provide numerous benefits, including a reduction in greenhouse gas emissions and enhanced connection between communities and job centers. The continued expansion of these options requires the construction and use of public facilities for pedestrians and bicyclists.

Currently, however, the resources that local governments can use for these facilities may be limited, and local governments may be unable to use impact fees related to transportation for public facilities outside of public streets and roads. It is the intent of the legislature to provide local governments with increased flexibility in utilizing impact fees in order to provide the funding and facilities necessary for the continued growth and success of such modern commuting options.

**Sec.**  RCW 82.02.090 and 2018 c 133 s 1 are each amended to read as follows:

The definitions in this section apply throughout this section and RCW 82.02.050 through ((~~82.02.090~~)) 82.02.080 unless the context clearly requires otherwise.

(1) "Development activity" means any construction or expansion of a building, structure, or use, any change in use of a building or structure, or any changes in the use of land, that creates additional demand and need for public facilities. "Development activity" does not include:

(a) Buildings or structures constructed by a regional transit authority; or

(b) Buildings or structures constructed as shelters that provide emergency housing for people experiencing homelessness, or emergency shelters for victims of domestic violence, as defined in RCW 70.123.020.

(2) "Development approval" means any written authorization from a county, city, or town which authorizes the commencement of development activity.

(3) "Impact fee" means a payment of money imposed upon development as a condition of development approval to pay for public facilities needed to serve new growth and development, and that is reasonably related to the new development that creates additional demand and need for public facilities, that is a proportionate share of the cost of the public facilities, and that is used for facilities that reasonably benefit the new development. "Impact fee" does not include a reasonable permit or application fee.

(4) "Owner" means the owner of record of real property, although when real property is being purchased under a real estate contract, the purchaser is considered the owner of the real property if the contract is recorded.

(5) "Project improvements" mean site improvements and facilities that are planned and designed to provide service for a particular development project and that are necessary for the use and convenience of the occupants or users of the project, and are not system improvements. An improvement or facility included in a capital facilities plan approved by the governing body of the county, city, or town is not considered a project improvement.

(6) "Proportionate share" means that portion of the cost of public facility improvements that are reasonably related to the service demands and needs of new development.

(7) "Public facilities" means the following capital facilities owned or operated by government entities: (a) Public streets ((~~and~~)), roads, and bicycle and pedestrian facilities that were designed with multimodal commuting as an intended use; (b) publicly owned parks, open space, and recreation facilities; (c) school facilities; and (d) fire protection facilities.

(8) "Service area" means a geographic area defined by a county, city, town, or intergovernmental agreement in which a defined set of public facilities provide service to development within the area. Service areas must be designated on the basis of sound planning or engineering principles.

(9) "System improvements" mean public facilities that are included in the capital facilities plan and are designed to provide service to service areas within the community at large, in contrast to project improvements.

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