

IMPACT FEES AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Matthew H. Gwynn

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies provisions relating to impact fees.

Highlighted Provisions:

This bill:

- ▶ eliminates language prohibiting residential impact fees to pay for fire suppression vehicles.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

11-36a-202, as last amended by Laws of Utah 2023, Chapter 502

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **11-36a-202** is amended to read:

11-36a-202. Prohibitions on impact fees.

(1) A local political subdivision or private entity may not:

(a) impose an impact fee to:

(i) cure deficiencies in a public facility serving existing development;



28 (ii) raise the established level of service of a public facility serving existing
29 development; or

30 (iii) recoup more than the local political subdivision's or private entity's costs actually
31 incurred for excess capacity in an existing system improvement;

32 (b) delay the construction of a school or charter school because of a dispute with the
33 school or charter school over impact fees; or

34 (c) impose or charge any other fees as a condition of development approval unless
35 those fees are a reasonable charge for the service provided.

36 (2) (a) Notwithstanding any other provision of this chapter, a political subdivision or
37 private entity may not impose an impact fee:

38 [~~(i) on residential components of development to pay for a public safety facility that is~~
39 ~~a fire suppression vehicle;~~]

40 [~~(ii)~~] (i) on a school district or charter school for a park, recreation facility, open space,
41 or trail;

42 [~~(iii)~~] (ii) on a school district or charter school unless:

43 (A) the development resulting from the school district's or charter school's
44 development activity directly results in a need for additional system improvements for which
45 the impact fee is imposed; and

46 (B) the impact fee is calculated to cover only the school district's or charter school's
47 proportionate share of the cost of those additional system improvements;

48 [~~(iv)~~] (iii) to the extent that the impact fee includes a component for a law enforcement
49 facility, on development activity for:

50 (A) the Utah National Guard;

51 (B) the Utah Highway Patrol; or

52 (C) a state institution of higher education that has its own police force;

53 [~~(v)~~] (iv) on development activity on fair park land, as defined in Section 11-68-101; or

54 [~~(vi)~~] (v) on development activity that consists of the construction of an internal
55 accessory dwelling unit, as defined in Section 10-9a-530, within an existing primary dwelling.

56 (b) (i) Notwithstanding any other provision of this chapter, a political subdivision or
57 private entity may not impose an impact fee on development activity that consists of the
58 construction of a school, whether by a school district or a charter school, if:

59 (A) the school is intended to replace another school, whether on the same or a different
60 parcel;

61 (B) the new school creates no greater demand or need for public facilities than the
62 school or school facilities, including any portable or modular classrooms that are on the site of
63 the replaced school at the time that the new school is proposed; and

64 (C) the new school and the school being replaced are both within the boundary of the
65 local political subdivision or the jurisdiction of the private entity.

66 (ii) If the imposition of an impact fee on a new school is not prohibited under
67 Subsection (2)(b)(i) because the new school creates a greater demand or need for public
68 facilities than the school being replaced, the impact fee shall be based only on the demand or
69 need that the new school creates for public facilities that exceeds the demand or need that the
70 school being replaced creates for those public facilities.

71 (c) Notwithstanding any other provision of this chapter, a political subdivision or
72 private entity may impose an impact fee for a road facility on the state only if and to the extent
73 that:

74 (i) the state's development causes an impact on the road facility; and

75 (ii) the portion of the road facility related to an impact fee is not funded by the state or
76 by the federal government.

77 (3) Notwithstanding any other provision of this chapter, a local political subdivision
78 may impose and collect impact fees on behalf of a school district if authorized by Section
79 [11-36a-206](#).

80 Section 2. **Effective date.**

81 This bill takes effect on May 1, 2024.