

By: Denny

H.B. No. 2628

A BILL TO BE ENTITLED

AN ACT

relating to reimbursement to local governments for roadway development through impact fees.

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

SECTION 1. Section 395.001(4), Local Government Code, is amended to read as follows:

(4) "Impact fee" means a charge or assessment imposed by a political subdivision against new development in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to the new development. The term includes amortized charges, lump-sum charges, capital recovery fees, contributions in aid of construction, and any other fee that functions as described by this definition. The term does not include:

(A) dedication of land for public parks or payment in lieu of the dedication to serve park needs;

(B) dedication of rights-of-way or easements or construction or dedication of on-site or off-site water distribution, wastewater collection or drainage facilities, or streets, sidewalks, or curbs if the dedication or construction is required by a valid ordinance and is necessitated by and attributable to the new development;

(C) lot or acreage fees to be placed in trust funds for the purpose of reimbursing developers for oversizing or

1 constructing water or sewer mains or lines; or

2 (D) other pro rata fees for reimbursement of
3 roadway facilities or water or sewer mains or lines extended by the
4 political subdivision.

5 However, an item included in the capital improvements plan
6 may not be required to be constructed except in accordance with
7 Section 395.019(2), and an owner may not be required to construct or
8 dedicate facilities and to pay impact fees for those facilities.

9 SECTION 2. This Act takes effect September 1, 2005.