

THE FLORIDA SENATE
2019 SUMMARY OF LEGISLATION PASSED
Committee on Community Affairs

CS/HB 207 — Impact Fees

by Local, Federal and Veterans Affairs Subcommittee and Rep. Donalds and others (SB 144 by Senator Gruters)

As one type of regulatory fee, impact fees are charges imposed by local governments against new development to provide for capital facilities' costs made necessary by such growth. Examples of capital facilities include the provision of additional water and sewer systems, schools, libraries, parks and recreational facilities. Impact fee calculations vary from jurisdiction to jurisdiction and from fee to fee. Impact fees also vary extensively depending on local costs, capacity needs, resources, and the local government's determination to charge the full cost or only part of the cost of the infrastructure improvement through utilization of the impact fee.

SB 144 prohibits local governments from requiring the payment of impact fees prior to issuing a property's building permit. The bill also codifies the 'dual rational nexus test' for impact fees, as articulated in case law. This test requires an impact fee to have a reasonable connection, or rational nexus, between 1) the proposed new development and the need and the impact of additional capital facilities, and 2) the expenditure of funds and the benefits accruing to the proposed new development.

Additionally, the bill requires any impact fee ordinance earmark impact fee funds for capital facilities that benefit new residents and prohibits the use of impact fee revenues to pay existing debt unless specific conditions are met. The bill provides that certain statutory provisions related to impact fees do not apply to water and sewer connection fees.

If approved by the Governor, these provisions take effect July 1, 2019.

Vote: Senate 39-1; House 101-12