House Bill 585

By: Representatives Jones of the 25th, Cox of the 28th, Barrett of the 24th, Jasperse of the 11th, and Clark of the 100th

A BILL TO BE ENTITLED AN ACT

- 1 To amend Chapter 71 of Title 36 of the Official Code of Georgia Annotated, relating to
- 2 development impact fees, so as to provide for development impact fees for education; to
- 3 provide for definitions; to provide for the manner of calculation, imposition, and collection
- 4 of such fees; to provide for related matters; to provide for a contingent effective date and for
- 5 automatic repeal; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 SECTION 1.

- 8 Chapter 71 of Title 36 of the Official Code of Georgia Annotated, relating to development
- 9 impact fees, is amended by revising Code Section 36-71-1, relating to short title and
- 10 legislative findings and intent, as follows:
- 11 "36-71-1.
- 12 (a) This chapter shall be known and may be cited as the 'Georgia Development Impact Fee
- 13 Act.'

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- 14 (b) The General Assembly finds that an equitable program for planning and financing
- public facilities needed to serve new growth and development is necessary in order to
- promote and accommodate orderly growth and development and to protect the public

health, safety, and general welfare of the citizens of the State of Georgia. It is the intent of this chapter to:

- 19 (1) Ensure that adequate public facilities are available to serve new growth and development;
- 21 (2) Promote orderly growth and development by establishing uniform standards by
- 22 which municipalities, and counties, and local school systems may require that new
- growth and development pay a proportionate share of the cost of new public facilities
- 24 needed to serve new growth and development;
- 25 (3) Establish minimum standards for the adoption of development impact fee ordinances
- or resolutions by municipalities, and counties, and local school systems; and
- 27 (4) Ensure that new growth and development is required to pay no more than its
- proportionate share of the cost of public facilities needed to serve new growth and
- development and to prevent duplicate and ad hoc development exactions."

SECTION 2.

- 31 Said chapter is further amended by designating Code Section 36-71-1 as Article 1, by
- 32 designating Code Sections 36-71-2 through 36-71-13 as Article 2, and by adding a new
- 33 article to read as follows:

34 "ARTICLE 3

- 35 36-71-20.
- 36 As used in this article, the term:
- 37 (1) 'Educational development impact fees' means development impact fees that are
- imposed to pay for a share of the cost of additional educational facilities to serve new
- growth and development in the same area in which such fees are imposed.
- 40 (2) 'High growth school system' means a local school system in this state:

41 (A) With a total increase in system wide student enrollment of 20 percent or more

- 42 <u>during the immediately preceding ten-year period; and</u>
- 43 (B) With total expenditures of \$250 million or more on the construction of new
- 44 <u>educational facilities as such term is defined in Code Section 20-2-260 during the</u>
- 45 <u>immediately preceding ten-year period.</u>
- 46 <u>36-71-21.</u>
- Each local board of education of a high growth school system may by resolution impose,
- 48 levy, and collect educational development impact fees within any area of such school
- 49 system with a total increase in student enrollment of 20 percent or more during the
- 50 <u>immediately preceding ten-year period.</u>
- 51 <u>36-71-22.</u>
- 52 (a) Before imposing educational development impact fees under this article, a local board
- of education of a high growth school system shall adopt a public resolution finding that
- such school system is a high growth school system and shall create an educational
- 55 <u>development impact fee advisory committee.</u>
- 56 (b) The educational development impact fee advisory committee shall be composed in the
- same manner as provided for development impact fee advisory committees in
- subsection (b) of Code Section 36-71-5.
- 59 (c) The educational development impact fee advisory committee shall serve in an advisory
- capacity to assist and advise the local board of education with regard to the adoption of an
- educational development impact fee resolution. Such committee shall be advisory, and no
- action of such committee shall be considered a necessary prerequisite for action of a local
- board of education in regard to adoption of a resolution.
- 64 (d) In determining the educational development impact fees, the local board of education
- and the educational development impact fee advisory committee shall consider the

projected number of students that will come from different types of developments, such as

- 67 <u>single-family houses, apartments, condominiums, multifamily housing, age restricted</u>
- 68 <u>communities, assisted or senior living facilities, and other residential rental properties;</u>
- 69 provided, however, that in all other matters educational development impact fees shall be
- 70 <u>calculated as provided by and conform to the requirements of Code Section 36-71-4.</u>
- 71 (e) The committee may also recommend to the local board of education how the
- 72 <u>educational development impact fees shall be used to offset bonded indebtedness,</u>
- 73 <u>educational special purpose local option sales taxes, millage rates, and other tax burdens</u>
- on citizens residing in the area served by the school system.
- 75 (f) The committee shall provide its calculations, recommendations, and explanations in a
- 76 report to the local board of education.
- 77 (g) The local board of education shall adopt a resolution adopting the educational
- 78 <u>development impact fee schedule. Such fee schedule shall be sent to each local</u>
- 79 government in the area served by the school system.
- 80 (h) Each local government in the area served by the school system shall collect
- 81 <u>educational development impact fees at the same time and in the same manner as other</u>
- development impact fees under Article 2 of this chapter. Such local governments are
- 83 <u>authorized to retain 3 percent of the educational development impact fees collected as</u>
- 84 <u>reimbursement for their administrative costs and shall forward the remaining amount to the</u>
- 85 local board of education.
- 86 <u>36-71-23.</u>
- 87 Educational development impact fees shall be valid for a period of ten years following their
- adoption by the local board of education. Notwithstanding any other Code section of this
- article to the contrary, the fees may be extended for additional five-year periods in the
- manner provided for in Code Section 36-71-22 for the initial adoption, provided that the
- school system has experienced an increase of 3 percent in the number of students enrolled

in at least one of the proceeding five years. The local board of education may at any time
 by resolution of such local board of education lower or remove such fees if the growth
 assumptions change."

95 SECTION 3.

This Act shall become effective on January 1, 2025, only if an amendment to the state Constitution authorizing educational development impact fees is adopted by the General Assembly and is ratified by the voters at the 2024 general election. Otherwise, this Act shall not become effective and shall stand repealed by operation of law on January 1, 2025.

100 **SECTION 4.**

All laws and parts of laws in conflict with this Act are repealed.