

SENATE BILL 1840

By Hensley

AN ACT to amend Tennessee Code Annotated, Title 5 and Title 67, Chapter 4, Part 29, relative to impact fees.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 5, Chapter 5, Part 1, is amended by adding the following as a new section:

(a) A county legislative body may impose an impact fee on development in the county pursuant to this section.

(b) The amount of impact fees imposed must be related to the costs expected to be incurred by the county resulting from the new development. The county legislative body shall earmark the revenues for this fee for investment in the area of the new development.

(c) A county legislative body that desires to impose an impact fee shall approve the resolution by a two-thirds (2/3) vote of the legislative body at two (2) regular meetings held at least ninety (90) days apart. The resolution considered at the second meeting must be identical to the resolution considered at the first meeting.

(d) The county legislative body shall provide an opportunity for public comment at an open meeting held no less than thirty (30) days and no more than sixty (60) days after the initial approval of the resolution.

(e) As used in this section:

(1) "Development" means the construction, building, erection, or improvement to land by providing a new building or structure that provides floor area for residential use; and

(2) "Impact fee" means a monetary charge to regulate development on real property.

SECTION 2. Tennessee Code Annotated, Section 67-4-2913, is amended by deleting the language "no county shall be authorized to enact an impact fee on development" and substituting instead "no county shall be authorized to enact an impact fee on development, except as provided in Section 1,".

SECTION 3. This act takes effect July 1, 2022, the public welfare requiring it.