

1 **State of Arkansas**  
2 **79th General Assembly**  
3 **Regular Session, 1993**  
4 **By: Representative Stephens**

# A Bill

**HOUSE BILL**

## For An Act To Be Entitled

8 "AN ACT TO AUTHORIZE MUNICIPALITIES AND COUNTIES TO IMPOSE  
9 IMPACT FEES FOR THE BENEFIT OF SCHOOL DISTRICTS; AND FOR  
10 OTHER PURPOSES."

## Subtitle

13 "AN ACT TO AUTHORIZE MUNICIPALITIES AND COUNTIES TO IMPOSE  
14 IMPACT FEES FOR THE BENEFIT OF SCHOOL DISTRICTS."

16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

18 SECTION 1. Intent. The intent of this act is to enable municipalities  
19 and counties to impose impact fees on beneficiaries of new residential  
20 construction for the purpose of financing school district capital projects  
21 required to serve new growth and development and to require new residents to  
22 pay for or mitigate the negative effect of new construction.

24 SECTION 2. Definitions. For the purpose of this act:

25 (1) "Capital project" means:

26 (A) construction of facilities for any physical betterment or  
27 improvement including furnishings, machinery, apparatus, or equipment for such  
28 physical betterment or improvement.

29 (B) any preliminary studies and surveys relating to any physical  
30 betterment or improvement;

31 (C) land or rights in land; or

32 (D) any combination of these.

33 (2) "Housing units" means permanent living facilities.

34 (3) "Impact fee" means a fee levied as a condition of issuance of a  
35 building permit for residential construction and which will be used to cover

1 any portion of the costs of a capital project that will benefit or is  
2 attributable to the users of the development.

3 (4) "Local government" means a municipality or county.

4 (5) "Local governmental body" means the governing body of a municipality  
5 or the quorum court of a county.

6 (6) "Municipality" means a city of the first class, a city of the  
7 second class, or an incorporated town.

8 (7) "Residential construction" means the construction of housing units  
9 including but not limited to single and multiple family dwelling units.

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11 SECTION 3. A local government may impose impact fees for the benefit of  
12 a school district, subject to the following requirements:

13 (1) A local government may impose impact fees under this act if  
14 petitioned by a local school district. The impact fees shall be imposed only  
15 in the portion of the local government which is included within the school  
16 district.

17 (2) (A) A local governmental body shall give at least thirty (30) days  
18 public notice before adopting an ordinance assessing a new impact fee or  
19 revising an existing impact fee and shall conduct a public hearing on the  
20 issue at least fourteen (14) days prior to adoption of the ordinance. The  
21 ordinance adopting or revising an impact fee shall not be effective until  
22 sixty (60) days after its adoption by the local governmental body.

23 (B) The fees shall not become effective until each local  
24 governmental body, having a portion of the school district within its  
25 jurisdiction, adopts an ordinance imposing impact fees in the school district  
26 and enters into an inter-local agreement providing for the levy of uniform  
27 fees within the school district.

28 (3) (A) The impact fee schedule shall be established by the local  
29 government in cooperation with the school district. The amount of any impact  
30 fees assessed pursuant to this section must bear a reasonable relationship to  
31 the burden imposed upon the school district to provide additional schooling  
32 created by new growth.

33 (B) Impact fees imposed by one or more local governments shall be  
34 uniform within the school district and shall be assessed in a non-  
35 discriminatory manner.

1           (C) Impact fees shall be paid by the applicant for a building  
2 permit for residential construction. The impact fee shall be paid in full at  
3 the time the construction permit is issued.

4           (4) Funds received by a local government from impact fees assessed  
5 pursuant to this section shall be placed in a separate fund and accounted for  
6 separately. The local government shall quarterly transfer all funds received  
7 to the school district. The school district shall use the impact fees to  
8 finance the school district\_s capital projects resulting from new residential  
9 construction in their districts.

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11           SECTION 4. All provisions of this act of a general and permanent nature  
12 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
13 Revision Commission shall incorporate the same in the Code.

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15           SECTION 5. If any provision of this act or the application thereof to  
16 any person or circumstance is held invalid, such invalidity shall not affect  
17 other provisions or applications of the act which can be given effect without  
18 the invalid provision or application, and to this end the provisions of this  
19 act are declared to be severable.

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21           SECTION 6. All laws and parts of laws in conflict with this act are  
22 hereby repealed.

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