

MESNARD SUBSTITUTE FLOOR AMENDMENT

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1525

I move the following SUBSTITUTE Amendment to the GOVERNMENT Committee  
Amendment to  
SENATE BILL 1525 (Reference to Senate engrossed bill)

- 1 Page 1, line 13, strike "INFRASTRUCTURE IMPROVEMENTS" insert "NECESSARY PUBLIC
- 2 SERVICES"
- 3 Line 16, strike the first "THE" insert "A DEVELOPMENT FEE PURSUANT TO THIS
- 4 SECTION, INCLUDING THE RELEVANT"
- 5 Line 17, strike "NECESSARY FOR THE IMPOSITION OF A DEVELOPMENT FEE"
- 6 Line 20, strike "the A" insert "the"
- 7 Line 25, strike "INFRASTRUCTURE IMPROVEMENTS" insert "NECESSARY PUBLIC SERVICES"
- 8 Line 26, strike "INFRASTRUCTURE IMPROVEMENTS" insert "NECESSARY PUBLIC
- 9 SERVICES"; strike "A NEW" insert "THE"
- 10 Line 27, strike "INFRASTRUCTURE IMPROVEMENTS" insert "NECESSARY PUBLIC SERVICES"
- 11 Line 30, after "FOR" insert "ANY OF THE FOLLOWING"
- 12 Line 32, strike "INFRASTRUCTURE IMPROVEMENTS" insert "NECESSARY PUBLIC SERVICES"
- 13 Lines 34 and 35, strike "INFRASTRUCTURE IMPROVEMENTS" insert "NECESSARY PUBLIC
- 14 SERVICES"
- 15 Line 37, strike "INFRASTRUCTURE IMPROVEMENTS" insert "NECESSARY PUBLIC SERVICES"
- 16 Line 40, strike "INFRASTRUCTURE IMPROVEMENTS" insert "NECESSARY PUBLIC
- 17 SERVICES"; strike "BETTER" insert "A HIGHER LEVEL OF"
- 18 Line 45, strike "PERMANENT"
- 19 Page 2, line 2, strike "ACTUAL" insert "AVAILABLE"; after "UNITS" insert "IF THE
- 20 AVAILABLE CAPACITY HAS NOT BEEN RESERVED OR PLEDGED IN CONNECTION WITH THE
- 21 CONSTRUCTION OR FINANCING OF THE FACILITY"
- 22 Line 3, strike "SHALL NOT BE COLLECTED UNLESS" insert "MAY BE COLLECTED IF"
- 23 Line 4, strike "OCCUR" insert "OCCURS"
- 24 Line 5, strike "AN INFRASTRUCTURE IMPROVEMENT" insert "A NECESSARY PUBLIC
- 25 SERVICE"
- 26 Line 6, strike "HAS BEEN" insert "IS"
- 27 Line 7, strike "COMMITTS" insert "PLANS"
- 28 Line 8, strike "HAVING" insert "TO HAVE"; strike "A REASONABLE PERIOD OF TIME
- 29 CONSIDERING"
- 30 Strike line 9

- 1 Page 2, line 10, strike "CONSTRUCTED" insert "THE TIME PERIOD ESTABLISHED IN THE  
2 INFRASTRUCTURE IMPROVEMENT PLAN"; strike "FIVE YEARS" insert "THE TIME PERIOD  
3 PROVIDED IN SUBSECTION H, PARAGRAPH 3 OF THIS SECTION"
- 4 Line 11, strike "AGREES TO" insert "RESERVES IN THE INFRASTRUCTURE IMPROVEMENTS  
5 PLAN ADOPTED PURSUANT TO THIS SECTION OR OTHERWISE AGREES TO"
- 6 Line 12, after "DEVELOPMENT" strike remainder of line
- 7 Line 13, strike "TO DO SO"
- 8 Line 14, after "MUNICIPALITY" insert "REQUIRES OR"; strike "THAT" insert "TO  
9 ALLOW"; strike "MAY" insert "TO"
- 10 Line 15, strike "INFRASTRUCTURE IMPROVEMENTS OR FACILITY EXPANSIONS" insert  
11 "NECESSARY PUBLIC SERVICE OR FACILITY EXPANSION"
- 12 Line 17, after "AGAINST" insert "OR REIMBURSED FROM"
- 13 Line 20, strike "OTHER" insert "ALL"
- 14 Line 21, strike "INFRASTRUCTURE IMPROVEMENTS" insert "NECESSARY PUBLIC SERVICES"
- 15 Line 23, after "CREDITS" insert "OR REIMBURSEMENT RIGHTS"
- 16 Line 24, after "DEVELOPMENTS" insert "FOR THE SAME CATEGORY OF NECESSARY PUBLIC  
17 SERVICES"
- 18 Lines 28 and 29, strike "INFRASTRUCTURE IMPROVEMENTS" insert "NECESSARY PUBLIC  
19 SERVICES"
- 20 Line 33, after "purposes" strike remainder of line
- 21 Strike line 34, insert "authorized by this section."
- 22 Lines 37 and 38, strike "~~necessary public service~~ INFRASTRUCTURE IMPROVEMENTS"  
23 insert "necessary public ~~service~~ SERVICES"
- 24 Line 39, after "assessed" insert "AND"
- 25 Page 3, line 2, after "other" strike remainder of line
- 26 Line 3, strike "IMPROVEMENTS" insert "necessary public services"
- 27 Lines 5 and 6, strike "~~necessary public services~~ INFRASTRUCTURE IMPROVEMENTS"  
28 insert "necessary public services"
- 29 Strike lines 20 through 30, insert:
- 30 "11. IF A MUNICIPALITY REQUIRES AS A CONDITION OF DEVELOPMENT APPROVAL  
31 THE CONSTRUCTION OR IMPROVEMENT OF, CONTRIBUTIONS TO OR DEDICATION OF ANY  
32 FACILITIES THAT WERE NOT INCLUDED IN A PREVIOUSLY ADOPTED INFRASTRUCTURE  
33 IMPROVEMENTS PLAN, THE MUNICIPALITY SHALL CAUSE THE INFRASTRUCTURE  
34 IMPROVEMENTS PLAN TO BE AMENDED TO INCLUDE THE FACILITIES AND SHALL PROVIDE A  
35 CREDIT TOWARD THE PAYMENT OF A DEVELOPMENT FEE FOR THE CONSTRUCTION,  
36 IMPROVEMENT, CONTRIBUTION OR DEDICATION OF THE FACILITIES TO THE EXTENT THAT  
37 THE FACILITIES WILL SUBSTITUTE FOR OR OTHERWISE REDUCE THE NEED FOR OTHER

1 SIMILAR FACILITIES IN THE INFRASTRUCTURE IMPROVEMENTS PLAN FOR WHICH  
2 DEVELOPMENT FEES WERE ASSESSED."

3 Page 3, line 31, after the period strike remainder of line

4 Line 32, strike "SECTION,"

5 Lines 34 and 35, strike "~~necessary public service~~ INFRASTRUCTURE IMPROVEMENTS"  
6 insert "necessary public service"

7 Strike lines 36, 37 and 38, insert "shall include these contributions in  
8 determining the extent of the burden imposed by the development. BEGINNING  
9 AUGUST 1, 2014, FOR PURPOSES OF CALCULATING THE REQUIRED OFFSET TO  
10 DEVELOPMENT FEES PURSUANT TO THIS SUBSECTION, IF A MUNICIPALITY IMPOSES A  
11 CONSTRUCTION CONTRACTING OR SIMILAR EXCISE TAX RATE IN EXCESS OF THE  
12 PERCENTAGE AMOUNT OF THE TRANSACTION PRIVILEGE TAX RATE IMPOSED ON THE  
13 MAJORITY OF OTHER TRANSACTION PRIVILEGE TAX CLASSIFICATIONS, THE ENTIRE  
14 EXCESS PORTION OF THE CONSTRUCTION CONTRACTING OR SIMILAR EXCISE TAX SHALL BE  
15 TREATED AS A CONTRIBUTION TO THE CAPITAL COSTS OF NECESSARY PUBLIC SERVICES  
16 PROVIDED TO DEVELOPMENT FOR WHICH DEVELOPMENT FEES ARE ASSESSED, UNLESS THE  
17 EXCESS PORTION WAS ALREADY TAKEN INTO ACCOUNT FOR SUCH PURPOSE PURSUANT TO  
18 THIS SUBSECTION."

19 Line 40, after "assessed" strike remainder of line

20 Line 41, strike "DISCRIMINATE BASED ON THE NATURE OF THE DEVELOPMENT." insert  
21 "AGAINST COMMERCIAL, RESIDENTIAL AND INDUSTRIAL DEVELOPMENT, EXCEPT THAT THE  
22 MUNICIPALITY MAY DISTINGUISH BETWEEN DIFFERENT CATEGORIES OF RESIDENTIAL,  
23 COMMERCIAL AND INDUSTRIAL DEVELOPMENT IN ASSESSING THE COSTS TO THE  
24 MUNICIPALITY OF PROVIDING NECESSARY PUBLIC SERVICES TO NEW DEVELOPMENT AND IN  
25 DETERMINING THE AMOUNT OF THE DEVELOPMENT FEE APPLICABLE TO THE CATEGORY OF  
26 DEVELOPMENT."

27 Line 43, after the first "THE" insert "APPROPRIATE"

28 Line 44, strike "AND NOTIFY THE ADVISORY COMMITTEE OF THE WAIVER AND  
29 REIMBURSEMENT"; after the period insert "THE MUNICIPALITY SHALL PROVIDE  
30 NOTICE OF ANY SUCH WAIVER TO THE ADVISORY COMMITTEE ESTABLISHED PURSUANT TO  
31 SUBSECTION G OF THIS SECTION WITHIN THIRTY DAYS."

32 Page 4, line 5, strike "~~necessary public services~~ INFRASTRUCTURE IMPROVEMENTS"  
33 insert "necessary public services"

34 Line 10, after "public" insert "AND POST ON ITS WEBSITE OR THE WEBSITE OF AN  
35 ASSOCIATION OF CITIES AND TOWNS IF A MUNICIPALITY DOES NOT HAVE A WEBSITE"

36 Line 18, strike "AND POST THE REPORT ON ITS WEBSITE"

37 Line 22, strike "new or modified"

1 Page 4, line 31, strike "assessment" insert "ADOPTION OR AMENDMENT"

2 Line 33, strike "A" insert "THE"

3 Line 37, after "WEBSITE" insert "OR THE WEBSITE OF AN ASSOCIATION OF CITIES AND  
4 TOWNS IF THE MUNICIPALITY DOES NOT HAVE A WEBSITE"

5 Line 39, strike "INFRASTRUCTURE IMPROVEMENTS" insert "NECESSARY PUBLIC SERVICES"

6 Page 6, line 15, strike "THE UPDATING" insert "AN UPDATE"

7 Line 20, strike the second comma insert a period

8 Strike lines 21 and 22

9 Between lines 29 and 30, insert:

10 "10. NOTWITHSTANDING THE NOTICE AND HEARING REQUIREMENTS FOR ADOPTION  
11 OF AN INFRASTRUCTURE IMPROVEMENTS PLAN, A MUNICIPALITY MAY AMEND AN  
12 INFRASTRUCTURE IMPROVEMENTS PLAN ADOPTED PURSUANT TO THIS SECTION WITHOUT A  
13 PUBLIC HEARING IF THE AMENDMENT ADDRESSES ONLY ELEMENTS OF NECESSARY PUBLIC  
14 SERVICES IN THE EXISTING INFRASTRUCTURE IMPROVEMENTS PLAN AND THE CHANGES TO  
15 THE PLAN WILL NOT, INDIVIDUALLY OR CUMULATIVELY WITH OTHER AMENDMENTS ADOPTED  
16 PURSUANT TO THIS SUBSECTION, INCREASE THE LEVEL OF SERVICE IN THE SERVICE  
17 AREA OR CAUSE A DEVELOPMENT FEE INCREASE OF GREATER THAN FIVE PER CENT WHEN A  
18 NEW OR MODIFIED DEVELOPMENT FEE IS ASSESSED PURSUANT TO THIS SECTION. THE  
19 MUNICIPALITY SHALL PROVIDE NOTICE OF ANY SUCH AMENDMENT AT LEAST THIRTY DAYS  
20 BEFORE ADOPTION, SHALL POST THE AMENDMENT ON ITS WEBSITE OR ON THE WEBSITE OF  
21 AN ASSOCIATION OF CITIES AND TOWNS IF THE MUNICIPALITY DOES NOT HAVE A  
22 WEBSITE AND SHALL PROVIDE NOTICE TO THE ADVISORY COMMITTEE ESTABLISHED  
23 PURSUANT TO SUBSECTION G OF THIS SECTION THAT THE AMENDMENT COMPLIES WITH  
24 THIS SUBSECTION."

25 Line 30, strike "~~each necessary public service~~ INFRASTRUCTURE IMPROVEMENTS"  
26 insert "each necessary public service"

27 Line 31, strike "~~is~~ ARE" insert "is"

28 Page 7, line 1, strike "INFRASTRUCTURE IMPROVEMENTS" insert "NECESSARY PUBLIC  
29 SERVICES"

30 Line 3, strike "THE IMPROVEMENTS" insert "THOSE NECESSARY PUBLIC SERVICES"

31 Line 5, strike "A QUALIFIED PROFESSIONAL ENGINEER" insert "QUALIFIED  
32 PROFESSIONALS"; strike "TO PERFORM THE"

33 Line 6, strike "PROFESSIONAL ENGINEERING SERVICES"; after "STATE" insert ", AS  
34 APPLICABLE"

35 Line 8, strike "INFRASTRUCTURE"

36 Line 9, strike "IMPROVEMENTS" insert "NECESSARY PUBLIC SERVICES"; strike "A  
37 QUALIFIED PROFESSIONAL ENGINEER" insert "QUALIFIED PROFESSIONALS"

- 1 Page 7, line 10, strike "TO PERFORM THE PROFESSIONAL ENGINEERING SERVICES"; after  
2 "STATE" insert ", AS APPLICABLE"
- 3 Lines 11 and 12, strike "INFRASTRUCTURE IMPROVEMENTS" insert "NECESSARY PUBLIC  
4 SERVICES"
- 5 Line 14, after the comma insert "INCLUDING A FORECAST OF THE COSTS OF  
6 INFRASTRUCTURE, IMPROVEMENTS, REAL PROPERTY, FINANCING, ENGINEERING AND  
7 ARCHITECTURAL SERVICES,"; strike "A QUALIFIED PROFESSIONAL ENGINEER" insert  
8 "QUALIFIED PROFESSIONALS"
- 9 Line 15, strike "TO PERFORM THE PROFESSIONAL ENGINEERING SERVICES"; after  
10 "STATE" insert ", AS APPLICABLE"
- 11 Line 16, strike "DEFINITIVE"
- 12 Lines 18 and 25, strike "INFRASTRUCTURE IMPROVEMENTS" insert "NECESSARY PUBLIC  
13 SERVICES"
- 14 Line 30, strike "GRANTS, DONATIONS,"
- 15 Line 32, strike "IN THE SERVICE AREA"
- 16 Lines 33 and 34, strike "CREDIT THESE CONTRIBUTIONS AGAINST DEVELOPMENT" insert  
17 "INCLUDE THESE CONTRIBUTIONS IN DETERMINING THE EXTENT OF THE BURDEN IMPOSED  
18 BY THE DEVELOPMENT"
- 19 Line 39, strike "~~twenty-four~~ SIXTY" insert "twenty-four"; strike "of"
- 20 Strike lines 40 and 41
- 21 Line 42, strike "subdivision plat that was the subject of the final approval"  
22 insert "THAT THE MUNICIPALITY ISSUES THE FINAL APPROVAL FOR A COMMERCIAL,  
23 INDUSTRIAL OR MULTIFAMILY DEVELOPMENT OR THE DATE THAT THE FIRST BUILDING  
24 PERMIT IS ISSUED FOR A RESIDENTIAL DEVELOPMENT PURSUANT TO AN APPROVED SITE  
25 PLAN OR SUBDIVISION PLAT, PROVIDED THAT NO SUBSEQUENT CHANGES ARE MADE TO THE  
26 APPROVED SITE PLAN OR SUBDIVISION PLAT THAT WOULD INCREASE THE NUMBER OF  
27 SERVICE UNITS"
- 28 Line 43, after the first "THE" insert "NEW OR INCREASED PORTION OF A MODIFIED"
- 29 Page 8, line 3, after the period insert "IF, AFTER THE DATE OF THE MUNICIPALITY'S  
30 FINAL APPROVAL OF A DEVELOPMENT, THE MUNICIPALITY REDUCES THE DEVELOPMENT FEE  
31 ASSESSED ON DEVELOPMENT, THE REDUCED FEE SHALL APPLY TO THE DEVELOPMENT."
- 32 Line 11, after the period insert "A MUNICIPALITY SHALL DO ONE OF THE FOLLOWING:  
33 1."
- 34 Line 16, strike "1." insert "(a)"
- 35 Line 17, strike "FORTY" insert "FIFTY"
- 36 Line 19, strike "AND" insert "OF WHICH"; strike "TWENTY PER"
- 37 Line 20, strike "CENT OF THE MEMBERS" insert "ONE MEMBER"

- 1 Page 8, line 22, strike "2." insert "(b); strike "SERVES" insert "SHALL SERVE"  
2 Line 23, strike "(a)" insert "(i)"; strike "AND ASSIST"  
3 Line 24, strike "DETERMINE" insert "IN DETERMINING"  
4 Line 26, strike "(b)" insert "(ii)"  
5 Line 28, strike "(c)" insert "(iii)"  
6 Line 30, strike "(d)" insert "(iv)"  
7 Line 31, after "PLAN" insert "AND THE COLLECTION AND EXPENDITURES OF DEVELOPMENT  
8 FEES"  
9 Line 33, strike "(e)" insert "(v)"  
10 Line 35, strike "3." insert "(c)"  
11 Line 38, strike "4." insert "(d)"  
12 Between lines 39 and 40, insert:  
13 "2. IN LIEU OF CREATING AN ADVISORY COMMITTEE PURSUANT TO PARAGRAPH 1  
14 OF THIS SUBSECTION, PROVIDE FOR A BIENNIAL CERTIFIED AUDIT OF THE  
15 MUNICIPALITY'S LAND USE ASSUMPTIONS, INFRASTRUCTURE IMPROVEMENTS PLAN AND  
16 DEVELOPMENT FEES. AN AUDIT PURSUANT TO THIS PARAGRAPH SHALL BE CONDUCTED BY  
17 ONE OR MORE QUALIFIED PROFESSIONALS WHO ARE NOT EMPLOYEES OR OFFICIALS OF THE  
18 MUNICIPALITY AND WHO DID NOT PREPARE THE INFRASTRUCTURE IMPROVEMENTS PLAN.  
19 THE AUDIT SHALL REVIEW THE PROGRESS OF THE INFRASTRUCTURE IMPROVEMENTS PLAN,  
20 INCLUDING THE COLLECTION AND EXPENDITURES OF DEVELOPMENT FEES FOR EACH  
21 PROJECT IN THE PLAN, AND EVALUATE ANY INEQUITIES IN IMPLEMENTING THE PLAN OR  
22 IMPOSING THE DEVELOPMENT FEE. THE MUNICIPALITY SHALL POST THE FINDINGS OF  
23 THE AUDIT ON THE MUNICIPALITY'S WEBSITE OR THE WEBSITE OF AN ASSOCIATION OF  
24 CITIES AND TOWNS IF THE MUNICIPALITY DOES NOT HAVE A WEBSITE AND SHALL  
25 CONDUCT A PUBLIC HEARING ON THE AUDIT WITHIN SIXTY DAYS OF THE RELEASE OF THE  
26 AUDIT TO THE PUBLIC."  
27 Line 40, after the period insert "ON WRITTEN REQUEST,"; after "PROPERTY" insert  
28 "FOR WHICH A DEVELOPMENT FEE HAS BEEN PAID AFTER JULY 31, 2014"  
29 Line 41, strike "THAT IS NOT SPENT"  
30 Line 42, after the period strike remainder of line  
31 Line 43, strike "FEE HAS BEEN PAID, THE MUNICIPALITY REFUNDS THE DEVELOPMENT FEE  
32 IF" insert "PURSUANT TO SUBSECTION B, PARAGRAPH 6 OF THIS SECTION,"  
33 Line 44, strike "OR" insert ".  
34 2."  
35 Renumber to conform  
36 Line 45, after "FEE" insert "TO CONSTRUCT A FACILITY"  
37 Page 9, line 1, after "WITHIN" strike remainder of line

- 1 Page 9, line 2, strike "INFRASTRUCTURE IMPROVEMENT OR FACILITY EXPANSION TO BE  
2 CONSTRUCTED" insert "THE TIME PERIOD IDENTIFIED IN THE INFRASTRUCTURE  
3 IMPROVEMENTS PLAN,"
- 4 Line 3, strike "FIVE YEARS AFTER THE DATE OF PAYMENT" insert "THE TIME PERIOD  
5 SPECIFIED IN PARAGRAPH 3 OF THIS SUBSECTION"
- 6 Line 4, after the period insert "FOR A DEVELOPMENT FEE OTHER THAN A DEVELOPMENT  
7 FEE FOR WATER OR WASTEWATER FACILITIES,"
- 8 Line 5, strike "FIVE YEARS AFTER THE DATE OF PAYMENT" insert "TEN YEARS AFTER  
9 THE FEE HAS BEEN PAID OR, FOR A DEVELOPMENT FEE FOR WATER OR WASTEWATER  
10 FACILITIES, ANY PART OF THE DEVELOPMENT FEE IS NOT SPENT AS AUTHORIZED BY  
11 THIS SECTION WITHIN FIFTEEN YEARS AFTER THE FEE HAS BEEN PAID"
- 12 Strike lines 6 through 14
- 13 Between lines 14 and 15, insert:
- 14 "I. IF THE DEVELOPMENT FEE WAS COLLECTED FOR THE CONSTRUCTION OF ALL  
15 OR A PORTION OF A SPECIFIC ITEM OF INFRASTRUCTURE, AND ON COMPLETION OF THE  
16 INFRASTRUCTURE THE MUNICIPALITY DETERMINES THAT THE ACTUAL COST OF  
17 CONSTRUCTION WAS LESS THAN THE FORECASTED COST OF CONSTRUCTION ON WHICH THE  
18 DEVELOPMENT FEE WAS BASED AND THE DIFFERENCE BETWEEN THE ACTUAL AND ESTIMATED  
19 COST IS GREATER THAN TEN PER CENT, THE CURRENT OWNER MAY RECEIVE A REFUND OF  
20 THE PORTION OF THE DEVELOPMENT FEE EQUAL TO THE DIFFERENCE BETWEEN THE  
21 DEVELOPMENT FEE PAID AND THE DEVELOPMENT FEE THAT WOULD HAVE BEEN DUE IF THE  
22 DEVELOPMENT FEE HAD BEEN CALCULATED AT THE ACTUAL CONSTRUCTION COST."
- 23 Reletter to conform
- 24 Line 15, after "SHALL" strike remainder of line
- 25 Strike line 16, insert "INCLUDE ANY INTEREST EARNED BY THE MUNICIPALITY FROM THE  
26 DATE OF COLLECTION TO THE DATE OF REFUND ON THE AMOUNT OF THE REFUNDED FEE."
- 27 Line 19, after the period strike remainder of line
- 28 Strike lines 20, 21 and 22
- 29 Line 23, after "THAT" strike remainder of line
- 30 Line 24, strike "AMENDMENT TO THIS SECTION" insert "WAS ADOPTED BEFORE JANUARY  
31 1, 2012 MAY CONTINUE TO BE ASSESSED ONLY TO THE EXTENT THAT IT WILL BE USED  
32 TO PROVIDE A NECESSARY PUBLIC SERVICE FOR WHICH DEVELOPMENT FEES CAN BE  
33 ASSESSED PURSUANT TO THIS SECTION AND"
- 34 Line 25, strike "2012" insert "2014"
- 35 Line 27, after the first comma strike remainder of line
- 36 Strike lines 28 through 31

1 Page 9, line 32, strike "COSTS" insert "2014 SHALL NOT COLLECT DEVELOPMENT FEES  
2 UNTIL THE DEVELOPMENT FEE HAS BEEN REPLACED WITH A FEE THAT COMPLIES WITH  
3 THIS SECTION"; strike "IN THE DEVELOPMENT FEE ACCOUNTS"  
4 Line 33, strike "AUGUST 1, 2012" insert "JANUARY 1, 2012 REMAINING IN A  
5 DEVELOPMENT FEE ACCOUNT"  
6 Lines 34 and 35, strike "INFRASTRUCTURE IMPROVEMENTS" insert "NECESSARY PUBLIC  
7 SERVICES"  
8 Line 36, strike "ARE IN A FUND" insert "WERE COLLECTED"  
9 Line 37, after "BE" strike remainder of line  
10 Strike line 38, insert "USED FOR THE PURPOSE FOR WHICH THEY WERE COLLECTED ON OR  
11 BEFORE JANUARY 1, 2020, AND AFTER WHICH, IF NOT SPENT, SHALL BE DISTRIBUTED  
12 EQUALLY AMONG THE CATEGORIES OF NECESSARY PUBLIC SERVICES AUTHORIZED BY THIS  
13 SECTION."  
14 Line 42, after the period strike remainder of line  
15 Strike line 43  
16 Line 44, strike "FEE, HAS STANDING TO SUE UNDER THIS SECTION."  
17 Page 10, line 2, after "CONSTRUED" insert "TO ENSURE THAT DEVELOPMENT FEES ARE NOT  
18 USED TO IMPOSE ON NEW RESIDENTS A BURDEN ALL TAXPAYERS OF A MUNICIPALITY  
19 SHOULD BEAR EQUALLY"  
20 Line 32, after "WEBSITE" insert "OR THE WEBSITE OF AN ASSOCIATION OF CITIES AND  
21 TOWNS IF THE MUNICIPALITY DOES NOT HAVE A WEBSITE"  
22 Line 36, after "WEBSITE" insert "OR THE WEBSITE OF AN ASSOCIATION OF CITIES AND  
23 TOWNS IF THE MUNICIPALITY DOES NOT HAVE A WEBSITE"  
24 Strike lines 40, 41 and 42, insert:  
25 "R. A MUNICIPALITY MAY CONTINUE TO ASSESS A DEVELOPMENT FEE ADOPTED  
26 BEFORE JANUARY 1, 2012 FOR ANY FACILITY THAT WAS FINANCED BEFORE JUNE 1, 2011  
27 IF:  
28 1. DEVELOPMENT FEES WERE PLEDGED TO REPAY DEBT SERVICE OBLIGATIONS  
29 RELATED TO THE CONSTRUCTION OF THE FACILITY.  
30 2. AFTER AUGUST 1, 2014, ANY DEVELOPMENT FEES COLLECTED UNDER THIS  
31 SUBSECTION ARE USED SOLELY FOR THE PAYMENT OF PRINCIPAL AND INTEREST ON THE  
32 PORTION OF THE BONDS, NOTES OR OTHER DEBT SERVICE OBLIGATIONS ISSUED BEFORE  
33 JUNE 1, 2011 TO FINANCE CONSTRUCTION OF THE FACILITY.  
34 S. THROUGH AUGUST 1, 2014, A DEVELOPMENT FEE ADOPTED BEFORE JANUARY 1,  
35 2012 MAY BE USED TO FINANCE CONSTRUCTION OF A FACILITY AND MAY BE PLEDGED TO  
36 REPAY DEBT SERVICE OBLIGATIONS IF:



1           1. THE FACILITY THAT IS BEING FINANCED IS A FACILITY THAT IS DESCRIBED  
2 UNDER SUBSECTION T, PARAGRAPH 5, SUBDIVISIONS (a) THROUGH (g) OF THIS  
3 SECTION.

4           2. THE FACILITY WAS INCLUDED IN AN INFRASTRUCTURE IMPROVEMENTS PLAN  
5 ADOPTED BEFORE JUNE 1, 2011.

6           3. THE DEVELOPMENT FEES ARE USED FOR THE PAYMENT OF PRINCIPAL AND  
7 INTEREST ON THE PORTION OF THE BONDS, NOTES OR OTHER DEBT SERVICE OBLIGATIONS  
8 ISSUED TO FINANCE CONSTRUCTION OF THE NECESSARY PUBLIC SERVICES OR FACILITY  
9 EXPANSIONS IDENTIFIED IN THE INFRASTRUCTURE IMPROVEMENT PLAN."

10 Reletter to conform

11 Page 11, line 2, strike the third "THE" insert "AN"

12 Line 3, strike "FACILITIES" insert "FACILITY"

13 Lines 14 and 24, strike "INFRASTRUCTURE IMPROVEMENT" insert "NECESSARY PUBLIC  
14 SERVICE"

15 Line 25, strike "TEN" insert "THREE"

16 Line 28, after "WATER" insert ", AND ANY APPURTENANCES FOR THOSE FACILITIES"

17 Line 30, after "WASTEWATER" insert ", AND ANY APPURTENANCES FOR THOSE  
18 FACILITIES"

19 Between lines 30 and 31, insert:

20           "(c) STORM WATER, DRAINAGE AND FLOOD CONTROL FACILITIES, INCLUDING ANY  
21 APPURTENANCES FOR THOSE FACILITIES.

22           (d) LIBRARY FACILITIES OF UP TO TEN THOUSAND SQUARE FEET THAT PROVIDE  
23 A DIRECT BENEFIT TO DEVELOPMENT, NOT INCLUDING EQUIPMENT, VEHICLES OR  
24 APPURTENANCES."

25 Reletter to conform

26 Line 33, after "MUNICIPALITY" insert ", TRAFFIC SIGNALS"

27 Lines 34 and 35, strike "FOR THOSE FACILITIES" insert ", EQUIPMENT AND VEHICLES"

28 Line 41, strike "PARK" insert "NEIGHBORHOOD PARKS"; strike "NOT LARGER THAN"  
29 insert "UP TO"

30 Line 42, after "AREA" insert ", OR PARKS AND RECREATIONAL FACILITIES LARGER THAN  
31 THIRTY ACRES IF THE FACILITIES PROVIDE A DIRECT BENEFIT TO THE DEVELOPMENT";  
32 after "INCLUDE" insert "VEHICLES, EQUIPMENT OR THAT PORTION OF ANY FACILITY  
33 THAT IS USED FOR"

34 Line 43, after "AQUARIUMS," insert "AQUATIC CENTERS,"

35 Page 12, line 2, strike "SWIMMING POOLS,"

36 Line 4, after "FACILITIES" insert ", BUT MAY INCLUDE SWIMMING POOLS"

37 Line 5, strike "FOLLOWING"

1 Page 12, strike lines 6 through 12, insert "REQUIREMENTS PRESCRIBED IN SUBSECTION R  
2 OF THIS SECTION."

3 Line 15, strike "INFRASTRUCTURE IMPROVEMENT" insert "NECESSARY PUBLIC SERVICE"

4 Line 27, strike "INFRASTRUCTURE"

5 Line 28, strike "IMPROVEMENTS" insert "NECESSARY PUBLIC SERVICES"; strike  
6 "DEVELOPMENT IS SERVED"

7 Line 29, strike "DIRECTLY AND BENEFITED BY THE INFRASTRUCTURE IMPROVEMENTS"  
8 insert "A SUBSTANTIAL NEXUS EXISTS BETWEEN THE NECESSARY PUBLIC SERVICES"

9 Line 30, after "EXPANSIONS" insert "AND THE DEVELOPMENT BEING SERVED"; strike  
10 "SERVICE"

11 Strike lines 31, 32 and 33

12 Line 37, strike "INFRASTRUCTURE IMPROVEMENTS" insert "NECESSARY PUBLIC SERVICES"

13 After line 38, insert:

14 "Sec. 2. Laws 2009, third special session, chapter 7, section 41, as  
15 amended by Laws 2010, chapter 153, section 1, is amended to read:

16 Sec. 41. Development fees; moratorium; retroactivity

17 A. Notwithstanding any other law, beginning September 1, 2009 through  
18 ~~June 30, 2012~~ DECEMBER 31, 2011, a municipality shall not:

19 1. Impose any new development fees pursuant to section 9-463.05,  
20 Arizona Revised Statutes.

21 2. Increase any existing development fees authorized by section  
22 9-463.05, Arizona Revised Statutes.

23 B. For the purposes of this section, the date of the imposition of a  
24 new development fee or an increase in an existing development fee shall be  
25 the date of the final action by the municipality's governing body if adopted  
26 on or after March 1, 2009 and before September 1, 2009.

27 C. Notwithstanding subsection B of this section, any fees paid or  
28 charged on and after June 29, 2009 until ~~the effective date of this act~~ JULY  
29 29, 2010 shall not be retroactively increased.

30 D. NOTHING IN THIS SECTION SHALL BE CONSTRUED TO PREVENT A  
31 MUNICIPALITY FROM REDUCING THE DEVELOPMENT FEES ASSESSED ON DEVELOPMENT.

32 ~~D.~~ E. This section, as amended by ~~this act~~ LAWS 2010, CHAPTER 153,  
33 SECTION 1, applies retroactively to from and after August 31, 2009.

34 Sec. 3. Construction contracting tax rates; municipalities;  
35 retroactivity

36 A. Notwithstanding any other law, from and after June 30, 2011 through  
37 July 31, 2014, a municipality shall not adopt any increase in its

1 construction contracting or similar excise tax rate to a percentage amount in  
2 excess of the transaction privilege rate imposed on the majority of other  
3 transaction privilege tax classifications.

4 B. This section is effective retroactively to from and after June 30,  
5 2011.

6 Sec. 4. Legislative intent; grandfathered fee collections;  
7 protection of municipal debt service obligations

8 Pursuant to section 9-463.05, subsection R, Arizona Revised Statutes,  
9 as amended by this act, it is the intent of the legislature that a  
10 municipality may continue to collect and use a development fee adopted before  
11 January 1, 2012, even if the development fee would not otherwise be permitted  
12 to be collected and spent pursuant to this act, if:

13 1. The development fee has been pledged towards the repayment of debt  
14 service obligations incurred by a municipality to construct necessary public  
15 services before June 1, 2011.

16 2. The necessary public services were included in a municipality's  
17 infrastructure improvements plan before June 1, 2011.

18 3. The municipality meets all of the requirements of section 9-463.05,  
19 subsection R, Arizona Revised Statutes, as amended by this act.

20 Sec. 5. Effective date

21 Section 9-463.05, Arizona Revised Statutes, as amended by this act, is  
22 effective from and after December 31, 2011."

23 Amend title to conform

---

JAVAN D. MESNARD

1525jm  
04/18/2011  
11:30 AM  
C: ns