



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill # SB0508

Title: Allow public school consideration in impact fees

Primary Sponsor: Hawks, Bob

Status: As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Description of fiscal impact: SB 508 allows a county, city, town or consolidated government to impose an impact fee on a developer to cover costs of expansion or improvement of capital facilities related to K-12 public education. There is no fiscal impact on the state.

FISCAL ANALYSIS

Assumptions:

1. School districts will prepare the documentation required by 7-6-1602, MCA, for the county or municipal government that is responsible for under 76-3-601, MCA, for approving the developer's application.
2. The county or municipal government that requires a developer to pay an impact fee for capital facilities related to K-12 education will collect the fees on behalf of the school district and will submit the fees to the school district for expenditure.
3. There is no state fiscal impact.

Effect on County or Other Local Revenues or Expenditures:

1. County or municipal governments will work with school districts to determine and document the requirements under 7-6-1602, MCA. Those governments will also collect the fees and distribute the money to the school district. There may be some additional staff effort required to accomplish those tasks.

Technical Notes:

7-6-1602, MCA, should be considered for amendments to more clearly relate to school district impacts. This section sets certain requirements on documentation and restricts the amount of impact fees. In several places, this law refers to "governmental entity" which is defined in 7-6-1601(4) as a county, city, town, or consolidated government. 7-6-1602 refers to restrictions and procedures for governmental entities in ways that are not relevant to school districts. For example, a "governmental entity" will not have an item in its budget related to the project undertaken by a school district using impact fees as required by 7-6-1602(1)(k). Also, 7-6-1602(3) and 1602(5)(b), MCA, restrict the amount of fees to the "cost to be incurred by the governmental entity as a result of the new development." The cost of a school building, which is presumably an item that might be addressed by this bill, is a cost to a school district rather than to a "governmental entity" as defined in 7-6-1602(4). Therefore, 7-6-1602 could be amended to clearly relate the impact fee amounts and requirements to school districts.

Sponsor's Initials

Date

Budget Director's Initials

Date