
A BILL FOR AN ACT

RELATING TO COLLECTION OF IMPACT FEES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 46-144, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§46-144 Collection and expenditure of impact fees.**

4 Collection and expenditure of impact fees assessed, imposed,
5 levied, and collected for development shall be reasonably
6 related to the benefits accruing to the development. To
7 determine whether the fees are reasonably related, the impact
8 fee ordinance or board rule shall provide that:

9 (1) Upon collection, the fees shall be deposited in a
10 special trust fund or interest-bearing account. The
11 portion that constitutes recoupment may be transferred
12 to any appropriate fund;

13 (2) Collection and expenditure shall be localized to
14 provide a reasonable benefit to the development. A
15 county or board shall establish geographically limited
16 benefit zones for this purpose; provided that zones
17 shall not be required if a reasonable benefit can be
18 otherwise derived. Benefit zones shall be appropriate



1 to the particular public facility and the county or
2 board. A county or board shall explain in writing and
3 disclose at a public hearing reasons for establishing
4 or not establishing benefit zones;

5 (3) Except for recoupment, impact fees shall not be
6 collected from a developer until approval of a needs
7 assessment study that sets out planned expenditures
8 bearing a substantial relationship to the needs or
9 anticipated needs created by the development;

10 (4) Impact fees shall be expended for public facilities of
11 the type for which they are collected and of
12 reasonable benefit to the development; and


13 (5) Within [~~six~~] ten years of the date of collection, the
14 impact fees shall be expended or encumbered for the
15 construction of public facility capital improvements
16 that are consistent with the needs assessment study
17 and of reasonable benefit to the development."

18 SECTION 2. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.



1 SECTION 3. This Act shall take effect upon its approval
2 and shall apply to all existing and new impact fees.

3

INTRODUCED BY: 



SB2025

Report Title:

Impact Fees, Collection

Description:

Increases the period of time in which impact fees are expended or encumbered by counties from six to ten years.

