

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

FEE AMENDMENTS

2021 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Steve Waldrip

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies provisions related to a municipality collecting certain fees.

Highlighted Provisions:

This bill:

- ▶ modifies the amount a municipality may charge for certain fees, including hookup fees and land use application fees;
- ▶ modifies a municipality's reporting and accounting requirements related to certain fees; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

10-9a-510, as last amended by Laws of Utah 2013, Chapter 200

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **10-9a-510** is amended to read:

10-9a-510. Limit on fees -- Requirement to itemize fees -- Appeal of fee --



28 **Provider of culinary or secondary water.**

29 (1) A municipality may not impose or collect a fee for reviewing or approving the
30 plans for a commercial or residential building that exceeds the lesser of:

- 31 (a) the actual cost of performing the plan review; and
- 32 (b) 65% of the amount the municipality charges for a building permit fee for that
33 building.

34 (2) Subject to Subsection (1), a municipality may impose and collect only a nominal
35 fee for reviewing and approving identical floor plans.

36 (3) A municipality may not impose or collect a hookup fee that exceeds the
37 [~~reasonable~~] estimated actual cost of installing and inspecting the pipe, line, meter, and
38 appurtenance to connect to the municipal water, sewer, storm water, power, or other utility
39 system.

40 (4) A municipality may not impose or collect:

41 (a) a land use application fee that exceeds the [~~reasonable~~] estimated actual cost of
42 processing the application or issuing the permit; or

43 (b) an inspection, regulation, or review fee that exceeds the [~~reasonable~~] estimated
44 actual cost of performing the inspection, regulation, or review.

45 (5) (a) If requested by an applicant who is charged a fee or an owner of residential
46 property upon which a fee is imposed, the municipality shall provide an itemized fee statement
47 that shows the calculation method for each fee.

48 (b) If an applicant who is charged a fee or an owner of residential property upon which
49 a fee is imposed submits a request for an itemized fee statement no later than 30 days after the
50 day on which the applicant or owner pays the fee, the municipality shall no later than 10 days
51 after the day on which the request is received provide or commit to provide within a specific
52 time:

53 (i) for each fee, any studies, reports, or methods relied upon by the municipality to
54 create the calculation method described in Subsection (5)(a);

55 (ii) an accounting of each fee paid;

56 (iii) how each fee will be distributed; and

57 (iv) information on filing a fee appeal through the process described in Subsection

58 (5)(c).

59 (c) A municipality shall establish a fee appeal process subject to an appeal authority
60 described in Part 7, Appeal Authority and Variances, and district court review in accordance
61 with Part 8, District Court Review, to determine whether a fee reflects [~~only the reasonable~~
62 ~~estimated~~] no more than the estimated actual cost of:

- 63 (i) regulation;
- 64 (ii) processing an application;
- 65 (iii) issuing a permit; or
- 66 (iv) delivering the service for which the applicant or owner paid the fee.

67 (6) A municipality may not impose on or collect from a public agency any fee
68 associated with the public agency's development of its land other than:

69 (a) subject to Subsection (4), a fee for a development service that the public agency
70 does not itself provide;

71 (b) subject to Subsection (3), a hookup fee; and

72 (c) an impact fee for a public facility listed in Subsection 11-36a-102(16)(a), (b), (c),
73 (d), (e), or (g), subject to any applicable credit under Subsection 11-36a-402(2).

74 (7) A provider of culinary or secondary water that commits to provide a water service
75 required by a land use application process is subject to the following as if it were a
76 municipality:

77 (a) Subsections (5) and (6);

78 (b) Section 10-9a-508; and

79 (c) Section 10-9a-509.5.

80 (8) A municipality that collects a hookup fee, land use application fee, or inspection,
81 regulation, or review fee shall:

82 (a) establish a separate interest-bearing ledger account for each type of hookup fee,
83 land use application fee, or inspection, regulation, or review fee collected;

84 (b) deposit a receipt for each fee in the appropriate ledger account established under
85 Subsection (8)(a);

86 (c) retain the interest earned from fees in the ledger account; and

87 (d) at the end of each fiscal year, prepare a report that:

88 (i) for each fund or ledger account, shows:

89 (A) the source and amount of all money collected, earned, and received by the fund or

90 ledger account during the fiscal year; and
91 (B) each expenditure from the fund or ledger account;
92 (ii) accounts for all hookup fee, land use application fee, or inspection, regulation, or
93 review fee funds that the municipality has on hand at the end of the fiscal year;
94 (iii) identifies the hookup fee, land use application fee, or inspection, regulation, or
95 review fee funds by:
96 (A) the year in which the funds were received;
97 (B) the project from which the funds were collected;
98 (C) the project for which the funds are budgeted; and
99 (D) the projected schedule for expenditure;
100 (iv) is in a format developed by the state auditor;
101 (v) is certified by the local political subdivision's chief financial officer; and
102 (vi) is transmitted to the state auditor within 180 days after the day on which the fiscal
103 year ends.