

By: Senator(s) Johnson (19th)

To: Finance

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 3021

1 AN ACT TO PROHIBIT GOVERNING AUTHORITIES OF MUNICIPALITIES  
2 FROM LEVYING DEVELOPMENT IMPACT FEES FOR DEVELOPMENT OR EXPANSION  
3 OF PUBLIC FACILITIES WITHOUT THE APPROVAL OF THE LEGISLATURE; TO  
4 EXEMPT MUNICIPALITIES THAT WERE IMPOSING DEVELOPMENT IMPACT FEES  
5 PRIOR TO JULY 1, 2001; AND FOR RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 SECTION 1. (1) As used in this section:

8 (a) "Capital improvements" means improvements with a  
9 useful life of ten (10) years or more, by new construction or  
10 other action, which increase the service capacity of a public  
11 facility.

12 (b) "Development impact fee" means a charge or  
13 assessment, for the payment of money, imposed by a municipality or  
14 town, as a condition of development approval to fund or pay for  
15 the proportionate share of the costs of capital improvements for  
16 new or expanded public facilities necessitated by and attributable  
17 to the new development. This term shall not include:

18 (i) A charge or fee to pay the administrative,  
19 plan review, or inspection costs associated with permits required  
20 for development;

21 (ii) Connection or hookup charges;

22 (iii) Availability charges for drainage, sewer,  
23 water, or transportation charges for services provided directly to  
24 the development; or

25 (iv) Amounts collected from a developer in a  
26 transaction in which the governmental entity has incurred expenses  
27 in constructing capital improvements for the development if the



28 owner or developer has agreed to be financially responsible for  
29 the construction or installation of the capital improvements.

30 (2) Except as otherwise provided in subsection (4) of this  
31 section, the governing authorities of a municipality may not  
32 impose a development impact fee to fund capital improvements or  
33 new developments on the residents of the municipality without  
34 prior approval of the Legislature.

35 (3) If the Legislature finds that an equitable program for  
36 planning and financing public facilities is needed to serve new  
37 growth and development, is necessary in order to promote and  
38 accommodate orderly growth and development and to protect the  
39 public health, safety and general welfare of the citizens of the  
40 State of Mississippi, then the authority to impose a development  
41 impact fee may be granted.

42 (4) This section shall not apply to any municipality that  
43 imposed development impact fees prior to January 1, 2001;  
44 provided, however, that such fees shall not be greater than the  
45 amount imposed for such fees by such municipality on December 31,  
46 2000.

47 SECTION 2. This act shall take effect and be in force from  
48 and after January 1, 2001.

