



HOUSE BILL 684: LRC Study Development Exactions.

2021-2022 General Assembly

Committee:	House State Government. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	May 5, 2021
Introduced by:	Reps. Moffitt, Brody, Winslow, Zenger	Prepared by:	Brad Krehely
Analysis of:	First Edition		Committee Co-Counsel

OVERVIEW: *House Bill 684 would require the Legislative Research Commission (LRC) to study development exactions, including their impact on affordable housing and whether they are constitutional as currently implemented in North Carolina.*

BILL ANALYSIS: House Bill 684 would require the LRC to study the constitutionality of exactions (the conditions of development approval that require public facilities or improvements to be provided at the expense of the landowner who is seeking to develop the landowner's property). The LRC would be required to determine:

- Whether exactions currently imposed by local governments in North Carolina are legislatively authorized Statewide or by local act.
- Whether administrative fees currently imposed by local governments for purposes related to the development approval process should instead be paid from tax revenues.
- Whether Statewide legislation allowing exactions for certain purposes should be modified or eliminated to reduce development costs.
- Whether local acts allowing impact fees should be repealed.
- Whether the conditional zoning process should be reformed.
- Whether only local governments that have obtained specific authority may impose tree protection requirements.
- Whether some jurisdictions impose fees without statutory authority.
- Whether annexation by water and sewer extensions is reasonable.
- Whether plan and review timelines are reasonable.
- Whether litigation costs impact the cost of affordable housing.
- The extent to which these matters affect citizens' ability to own homes.

The LRC would be required to report its findings and any proposed legislation to the 2022 Regular Session of the 2021 General Assembly.

EFFECTIVE DATE: The act would be effective when it becomes law.

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