



**HOUSE BILL 2386**

By Vaughan

AN ACT to amend Tennessee Code Annotated, Title 5; Title 6; Title 7; Title 13; Title 65 and Title 68, relative to infrastructure development.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 7, Chapter 51, is amended by adding the following as a new part:

**7-51-2801. Definitions.**

As used in this part:

(1) "Developer" means a developer of real property seeking approval from a political subdivision to construct a private development within the jurisdiction of the political subdivision;

(2) "Development" means a private construction project involving the improvement of real property;

(3) "Offsite public infrastructure improvement" means a public infrastructure improvement or utility extension beyond the boundary of real property being developed by a developer;

(4) "Political subdivision" means a county, municipality, or metropolitan government; and

(5) "Public infrastructure" means roads, streets, traffic signals, turn lanes, sidewalks, lighting, stormwater improvements, and utilities, including water, wastewater, electric, gas, and broadband, that will be dedicated to one (1) or more public entities.

**7-51-2802. Cost-sharing agreements for public infrastructure.**

(a) If a political subdivision of this state determines that an offsite public infrastructure improvement is necessary as part of a development project to service future development, then the political subdivision may require the developer to construct or pay for the construction of such offsite public infrastructure improvements subject to a cost-sharing arrangement between the developer and the political subdivision. Such cost-sharing arrangement must be based upon the proportionate utilization or impact the development for which approval is sought from the political subdivision has on public infrastructure.

(b) A political subdivision has sixty (60) days from the date on which the approval is requested from the political subdivision by which to make a determination under subsection (a).

(c) If the developer and the political subdivision are unable to agree upon the amount of a cost-sharing arrangement as described under subsection (a), then the owner may request the Tennessee board of utility regulation, created pursuant to § 7-82-701, to determine the cost-sharing amount.

(d) The political subdivision's share of the offsite public infrastructure improvement costs may be provided through impact fees collected from other developments, bond proceeds, or unencumbered tax revenues.

SECTION 2. The headings in this act are for reference purposes only and do not constitute a part of the law enacted by this act. However, the Tennessee Code Commission is requested to include the headings in any compilation or publication containing this act.

SECTION 3. This act takes effect upon becoming a law, the public welfare requiring it.

Amendment No. 2 to HB2386

Hicks G  
Signature of Sponsor

**AMEND Senate Bill No. 2191\***

**House Bill No. 2386**

by deleting subsection (b) from § 7-51-2802 in SECTION 1 and substituting:

(b) A political subdivision has sixty (60) days from the date on which the approval is requested of the political subdivision by which to make a determination.

**AND FURTHER AMEND** by deleting subsection (c) from § 7-51-2802 in SECTION 1 and redesignating the subsequent subsection accordingly.

**AND FURTHER AMEND** by deleting the header "Definitions." for § 7-51-2801 in SECTION 1 and substituting the header "Part definitions.".