

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 2438

02/27/2014 Authored by Nelson

The bill was read for the first time and referred to the Committee on Civil Law

1.1 A bill for an act
1.2 relating to building code; providing for an appeal process for persons with
1.3 building code fee disputes; amending Minnesota Statutes 2012, section 462.353,
1.4 subdivision 4.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2012, section 462.353, subdivision 4, is amended to read:

1.7 Subd. 4. **Fees.** (a) A municipality may prescribe fees sufficient to defray the
1.8 costs incurred by it in reviewing, investigating, and administering an application for an
1.9 amendment to an official control established pursuant to sections 462.351 to 462.364 or an
1.10 application for a permit or other approval required under an official control established
1.11 pursuant to those sections. Except as provided in subdivision 4a, fees as prescribed must
1.12 be by ordinance. Fees must be fair, reasonable, and proportionate and have a nexus to
1.13 the actual cost of the service for which the fee is imposed.

1.14 (b) A municipality must adopt management and accounting procedures to ensure
1.15 that fees are maintained and used only for the purpose for which they are collected. Upon
1.16 request, a municipality must explain the basis of its fees.

1.17 (c) Except as provided in this paragraph, a fee ordinance or amendment to a fee
1.18 ordinance is effective January 1 after its adoption. A municipality may adopt a fee
1.19 ordinance or an amendment to a fee ordinance with an effective date other than the next
1.20 January 1, but the ordinance or amendment does not apply if an application for final
1.21 approval has been submitted to the municipality.

1.22 (d) If a dispute arises over a specific fee imposed by a municipality related to a
1.23 specific application, or specific fee imposed by section 326B.153, the person aggrieved
1.24 by the fee may appeal under section 462.361, provided that the appeal must be brought

2.1 within 60 days after approval of an application under this section and deposit of the fee
2.2 into escrow. A municipality must not condition the approval of any proposed subdivision
2.3 or development on an agreement to waive the right to challenge the validity of a fee.
2.4 An approved application may proceed as if the fee had been paid, pending a decision
2.5 on the appeal. This paragraph must not be construed to preclude the municipality from
2.6 conditioning approval of any proposed subdivision or development on an agreement to
2.7 waive a challenge to the cost associated with municipally installed improvements of the
2.8 type described in section 429.021.