

SENATE  
STATE OF MINNESOTA  
NINETY-FIRST SESSION

S.F. No. 3795

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DATE	D-PG	OFFICIAL STATUS
02/27/2020	5045	Introduction and first reading Referred to Jobs and Economic Growth Finance and Policy
03/05/2020	5249	Comm report: To pass and re-referred to Local Government
03/11/2020	5374a	Comm report: To pass as amended and re-refer to State Government Finance and Policy and Elections

1.1 A bill for an act

1.2 relating to the State Building Code; modifying the annual reporting requirements

1.3 for municipalities regarding construction and development-related fees collected;

1.4 amending Minnesota Statutes 2018, section 326B.145.

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

1.6 Section 1. Minnesota Statutes 2018, section 326B.145, is amended to read:

1.7 **326B.145 ANNUAL REPORT.**

1.8 (a) Each municipality shall annually report by June 30 to the department, in a format

1.9 prescribed by the department, all construction and development-related fees collected by

1.10 the municipality from developers, builders, and subcontractors if the cumulative fees collected

1.11 exceeded \$5,000 \$7,000 in the reporting year, ~~except that, for reports due June 30, 2009,~~

1.12 ~~to June 30, 2013, the reporting threshold is \$10,000.~~

1.13 (b) The report must include:

1.14 (1) the number and valuation of units for which fees were paid;

1.15 (2) the amount of building permit fees, plan review fees, administrative fees, engineering

1.16 fees, infrastructure fees, and other construction and development-related fees; and

1.17 (3) the expenses associated with the municipal activities for which fees were collected,<sup>2</sup>

1.18 including a separate listing of costs associated with conducting inspections for each of the

1.19 following categories:

1.20 (i) labor;

1.21 (ii) transportation;

2.1 (iii) office space; and

2.2 (iv) any other expenses incurred by the municipality as a result of conducting inspections.

2.3 (c) A municipality that collects \$7,000 or less in a reporting year from all construction  
2.4 and development-related fees shall report that the municipality collected \$7,000 or less in  
2.5 the reporting year by indicating as such on a form provided by the department.

2.6 (d) In developing the form for reporting, the department must include a list of common  
2.7 definitions for all categories of construction and development-related fees collected by  
2.8 municipalities and a summary of penalties that may result from annual report noncompliance  
2.9 as allowed by section 326B.082. A municipality that collects a fee not included in the  
2.10 common list of definitions must report the fee as "other" and provide an explanation of the  
2.11 fee.

2.12 (e) A municipality that fails to report to the department in accordance with this section  
2.13 is subject to the remedies provided by section 326B.082.

2.14 **EFFECTIVE DATE.** This section is effective January 1, 2021.