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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **1514**

March 1, 2007

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The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs

1.1 A bill for an act
1.2 relating to local government; authorizing cities and towns to impose aggregate
1.3 host fees; imposing penalties; proposing coding for new law in Minnesota
1.4 Statutes, chapter 298.

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

1.6 Section 1. **[298.76] AGGREGATE HOST FEE.**

1.7 Subdivision 1. **City or town authority.** A city or town may impose an aggregate
1.8 host fee, not to exceed 45 cents per cubic yard or 30 cents per ton in accordance with the
1.9 measurement used for transport from the extraction site or sale of aggregate material
1.10 removed from any city or town. Twenty-five percent of the aggregate host fee revenue
1.11 must be used by the city or town only for the purposes of mitigating and compensating for
1.12 the adverse effects of aggregate mining material. The remainder of the aggregate host fee
1.13 may be credited to the general fund or other designated fund of the city or town.

1.14 Subd. 2. **Reporting and payment of fee; penalties.** (a) If the county in which
1.15 the city or town is located imposes an aggregate removal tax under section 298.75, the
1.16 county auditor shall administer and collect the fee imposed under this section, and the
1.17 powers and duties of the county auditor to administer and collect the tax under section
1.18 298.75 apply to the fee imposed under this section. The aggregate host fee imposed by a
1.19 city or town must be paid together with the county aggregate tax, but must be reported
1.20 as a city or town aggregate host fee by the owner or operator or importer at the time of
1.21 payment. Cities or towns imposing the fee authorized by this subdivision must provide
1.22 the county auditor with written notice that the fee is to be paid with the aggregate tax.
1.23 The county auditor must pay to a city or town all fees collected pursuant to this section
1.24 within 30 days of receipt by the county.

2.1 (b) Unless paragraph (a) applies, the aggregate host fee imposed by a city or town
2.2 must be reported and paid to the city or town in the manner required under section 298.75,
2.3 except for the purposes of exercising the powers and duties contained in that section, the
2.4 "city" or "town" is deemed to be the "county."

2.5 Subd. 3. **Penalties.** (a) Failure to file the report and pay the fee shall result in a
2.6 penalty of \$5 for each of the first 30 days, beginning on the 15th day after the last day
2.7 of each calendar quarter, for which the report and payment is due and no statement of
2.8 objection has been filed, and a penalty of \$10 for each subsequent day shall be assessed
2.9 against the operator or importer who is required to file the report. The penalties imposed by
2.10 this subdivision may be collected as part of the host fee and credited to the general fund or
2.11 other designated fund of the city or town. If neither the report nor a statement of objection
2.12 has been filed after more than 60 days have elapsed from the date when the notice was
2.13 sent, the operator or importer who is required to file the report is guilty of a misdemeanor.

2.14 (b) It is a misdemeanor for any operator or importer to remove aggregate material
2.15 from a pit, quarry, or deposit or for any importer to import aggregate material unless
2.16 the host fee due under this section for the previous reporting period has been paid or
2.17 objections thereto have been filed.

2.18 (c) It is a misdemeanor for the operator or importer who is required to file a report to
2.19 file a false report with intent to evade the fee.

2.20 Subd. 4. **Applicability.** This section does not apply to a city or town that imposes
2.21 an aggregate removal tax under section 298.75 or any special law.

2.22 **EFFECTIVE DATE.** This section is effective for aggregate material removed
2.23 after June 30, 2007.