

**SENATE  
STATE OF MINNESOTA  
NINETIETH SESSION**

**S.F. No. 2491**

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DATE	D-PG	OFFICIAL STATUS
02/20/2018	6131	Introduction and first reading Referred to State Government Finance and Policy and Elections
02/22/2018	6170	Authors added Ruud; Kiffmeyer; Housley
03/08/2018		Comm report: To pass as amended and re-refer to Judiciary and Public Safety Finance and Policy

1.1 A bill for an act

1.2 relating to government accountability; providing for state and local government

1.3 settlement accountability and transparency; requiring reports; proposing coding

1.4 for new law in Minnesota Statutes, chapters 3; 15; 465.

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

1.6 Section 1. **[3.161] LEGISLATIVE SETTLEMENT ACCOUNTABILITY.**

1.7 Subdivision 1. Public funds prohibited. No funds of the house of representatives,

1.8 senate, or Legislative Coordinating Commission may be used for the payment of an award

1.9 or settlement, including attorney fees and related costs, in connection with an allegation of

1.10 sexual harassment or sexual assault by an employee or legislative member.

1.11 Subd. 2. Nondisclosure agreements prohibited. A nondisclosure agreement must not

1.12 be imposed on any party as a condition of an award or settlement by any employee or

1.13 legislative member of the house of representatives, senate, or Legislative Coordinating

1.14 Commission if the award or settlement results from an allegation of sexual harassment or

1.15 sexual assault.

1.16 EFFECTIVE DATE. This section is effective the day following final enactment and

1.17 applies to settlements and awards paid on or after that date.

1.18 Sec. 2. **[15.476] REPORT ON SETTLEMENTS.**

1.19 (a) By January 15, 2019, and annually thereafter, the commissioner of management and

1.20 budget, on behalf of and with cooperation from each state agency and department, shall

1.21 submit to the chair and ranking minority member of the Legislative Coordinating

1.22 Commission, and make available to the public on the Department of Management and

2.1 Budget's Web site, a report on all payments made with public funds for the previous calendar  
 2.2 year for awards and settlements in connection with an allegation of employee or employer  
 2.3 misconduct by any person employed in the executive branch as defined under section 43A.02,  
 2.4 subdivision 22. The report must include:

2.5 (1) the amount paid for each award or settlement, including attorney fees and related  
 2.6 costs;

2.7 (2) the source of the public funds used for the award or settlement; and

2.8 (3) the source of the employing agency or department involved and the name of the  
 2.9 individual who allegedly committed the violation.

2.10 (b) The report under paragraph (a) must not disclose the identity of any individual who  
 2.11 received an award or settlement, or who made the allegation of misconduct against an  
 2.12 employee or an employing agency.

2.13 (c) For the purposes of this section:

2.14 (1) an act of employee or employer misconduct means conduct by an employee or  
 2.15 employer resulting in an award or settlement in connection with negligent, reckless, or  
 2.16 intentional conduct, on or off the job, that displays a serious violation of the standards of  
 2.17 behavior expected of an employee or employer; and

2.18 (2) "public funds" means all general, special, permanent, trust, and others funds,  
 2.19 regardless of source or purpose, held or administered by the executive branch.

2.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.21 **Sec. 3. [465.791] REPORT ON SETTLEMENTS.**

2.22 (a) By January 15, 2019, and annually thereafter, each political subdivision of the state  
 2.23 shall submit to the chair and ranking minority member of the Legislative Coordinating  
 2.24 Commission, and make available to the public on the public subdivision's Web site, a report  
 2.25 on all payments made with public funds for the previous calendar year for awards and  
 2.26 settlements in connection with an allegation of employee or employer misconduct by any  
 2.27 person employed by the political subdivision as defined under paragraph (c). The report  
 2.28 must include:

2.29 (1) the amount paid for each award or settlement, including attorney fees and related  
 2.30 costs;

2.31 (2) the source of the public funds used for the award or settlement; and

3.1 (3) the source of the employing political subdivision involved and the name of the  
3.2 individual who allegedly committed the violation.

3.3 (b) The report under paragraph (a) must not disclose the identity of any individual who  
3.4 received an award or settlement, or who made the allegation of misconduct against an  
3.5 employee or an employing political subdivision.

3.6 (c) For the purposes of this section:

3.7 (1) an act of employee or employer misconduct means conduct by an employee or an  
3.8 employer resulting in an award or settlement in connection with negligent, reckless, or  
3.9 intentional conduct, on or off the job, that displays a serious violation of the standards of  
3.10 behavior expected of an employee or employer;

3.11 (2) "political subdivision" means a county, home rule charter or statutory city, town,  
3.12 school district, metropolitan or regional agency, public corporation, or special taxing district;  
3.13 and

3.14 (3) "public funds" means all general, special, permanent, trust, and other funds, regardless  
3.15 of source or purpose, held or administered by the political subdivision.

3.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.17 **Sec. 4. UNIVERSITY OF MINNESOTA REPORT ON SETTLEMENTS.**

3.18 The University of Minnesota is requested to issue an annual report on payments made  
3.19 with public funds in connection with University of Minnesota employees or the university  
3.20 as the employer in the same manner as required of the commissioner of management and  
3.21 budget under Minnesota Statutes, section 15.476. For the purposes of this section, "public  
3.22 funds" means all general, special, permanent, trust, and other funds, regardless of source  
3.23 or purpose, held or administered by the University of Minnesota.