SENATE STATE OF MINNESOTA NINETY-FOURTH SESSION

A bill for an act

S.F. No. 475

(SENATE AUTHORS: MATHEWS, Dornink, Hoffman, Marty and Kupec)		
DATE	D-PG	OFFICIAL STATUS
01/21/2025	141	Introduction and first reading
		Referred to Labor
01/23/2025	168	Author added Hoffman
01/27/2025	170a	Comm report: To pass as amended and re-refer to State and Local Government
	199	Author added Marty
01/30/2025	234	Author added Kupec
02/13/2025		Comm report: To pass and re-referred to Judiciary and Public Safety
		HF substituted in committee HF23

1.2 1.3 1.4	relating to employment; providing definitions; modifying whistleblower protections for public employees; amending Minnesota Statutes 2024, sections 181.931, by adding subdivisions; 181.932, subdivision 1.
1.5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
1.6	Section 1. Minnesota Statutes 2024, section 181.931, is amended by adding a subdivision
1.7	to read:
1.8	Subd. 1a. Abuse. "Abuse" means actions that may, directly or indirectly, result in
1.9	unnecessary costs to programs of a state agency or political subdivision. Abuse may involve
1.10	paying for items or services when there is no legal entitlement to that payment.
1.11 1.12	Sec. 2. Minnesota Statutes 2024, section 181.931, is amended by adding a subdivision to read:
1.13	Subd. 3a. Fraud. "Fraud" means an intentional or deliberate act to deprive another of
1.14	property or money or to acquire property or money by deception or other unfair means.
1.15	Fraud includes intentionally submitting false information to the department for the purpose
1.16	of obtaining a greater compensation or benefit than that to which the person is legally
1.17	entitled. Fraud also includes failure to correct errors in the maintenance of records in a
1.18	timely manner after a request by a state agency or political subdivision.

Sec. 2. 1

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Sec. 3. Minnesota Statutes 2024, section 181.931, is amended by adding a subdivision to read:

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- Subd. 7. Waste. "Waste" means practices that, directly or indirectly, result in unnecessary costs to programs of a state agency or political subdivision, such as misusing resources.
- Sec. 4. Minnesota Statutes 2024, section 181.932, subdivision 1, is amended to read:
 - Subdivision 1. **Prohibited action.** An employer shall not discharge, discipline, penalize, interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an employee regarding the employee's compensation, terms, conditions, location, or privileges of employment because:
 - (1) the employee, or a person acting on behalf of an employee, in good faith, reports a violation, suspected violation, or planned violation of any federal or state law or common law or rule adopted pursuant to law to an employer or to any governmental body or law enforcement official;
 - (2) the employee is requested by a public body or office to participate in an investigation, hearing, inquiry;
 - (3) the employee refuses an employer's order to perform an action that the employee has an objective basis in fact to believe violates any state or federal law or rule or regulation adopted pursuant to law, and the employee informs the employer that the order is being refused for that reason;
 - (4) the employee, in good faith, reports a situation in which the quality of health care services provided by a health care facility, organization, or health care provider violates a standard established by federal or state law or a professionally recognized national clinical or ethical standard and potentially places the public at risk of harm;
 - (5) a public employee communicates the findings of a scientific or technical study that the employee, in good faith, believes to be truthful and accurate, including reports to a governmental body or law enforcement official; or
 - (6) an a public employee in the classified service of state government communicates information that the <u>public</u> employee, in good faith, believes to be truthful and accurate, and that relates to <u>state public</u> services, including the financing of <u>state public</u> services, to:
 - (i) a legislator or the legislative auditor; or
- 2.31 (ii) a constitutional officer-; or

Sec. 4. 2

(7) a public employee, in good faith, reports fraud, waste, or abuse in programs of a state agency or political subdivision to the employer, any governmental body, law enforcement official, the legislative auditor, a member of the legislature, or a constitutional officer.

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The disclosures protected pursuant to this section do not authorize the disclosure of data otherwise protected by law.

Sec. 4.

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