

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 4640

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DATE	D-PG	OFFICIAL STATUS
03/23/2026	6896	Introduction and first reading
		Referred to State and Local Government
04/07/2026	7674a	Comm report: To pass as amended and re-refer to Labor

1.1 A bill for an act

1.2 relating to state government; precluding state employees and legislators from

1.3 taking employment with or serve as an independent contractor for grant recipients

1.4 in certain situations; imposing a penalty; amending the definition of serious crime

1.5 for purposes of recalling a state officer; amending Minnesota Statutes 2024, sections

1.6 43A.38, subdivision 2, by adding a subdivision; 211C.01, subdivision 4; proposing

1.7 coding for new law in Minnesota Statutes, chapters 3; 181.

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

1.9 Section 1. **[3.0845] FORMER LEGISLATORS EMPLOYMENT RESTRICTIONS.**

1.10 (a) A former legislator must not accept employment with an employer within 5 years

1.11 after leaving legislative office if, while a member of the legislature, the person voted on

1.12 final passage for a law that expressly named the employer as a recipient of a grant.

1.13 (b) A former legislator must not enter into a contract to provide services to a person or

1.14 business entity within 12 months after leaving office if, while a member of the legislature,

1.15 the person voted on final passage for a law that expressly named the person or business

1.16 entity as a recipient of a grant.

1.17 Sec. 2. Minnesota Statutes 2024, section 43A.38, subdivision 2, is amended to read:

1.18 Subd. 2. **Acceptance of gifts; favors.** (a) Employees in the executive branch in the

1.19 course of or in relation to their official duties shall not directly or indirectly receive or agree

1.20 to receive any payment of expense, compensation, gift, reward, gratuity, favor, service or

1.21 promise of future employment or other future benefit from any source, except the state for

1.22 any activity related to the duties of the employee unless otherwise provided by law. However,

1.23 the acceptance of any of the following shall not be a violation of this subdivision:

2.1 ~~(a)~~ (1) gifts of nominal value or gifts or textbooks which may be accepted pursuant to
2.2 section 15.43;

2.3 ~~(b)~~ (2) plaques or similar mementos recognizing individual services in a field of specialty
2.4 or to a charitable cause;

2.5 ~~(c)~~ (3) payment of reimbursement expenses for travel or meals, not to exceed actual
2.6 expenses incurred, which are not reimbursed by the state and which have been approved in
2.7 advance by the appointing authority as part of the work assignment;

2.8 ~~(d)~~ (4) honoraria or expenses paid for papers, talks, demonstrations, or appearances
2.9 made by employees on their own time for which they are not compensated by the state;
2.10 and

2.11 ~~(e)~~ (5) tips received by employees engaged in food service and room cleaning at restaurant
2.12 and lodging facilities in Itasca State Park.

2.13 (b) A former employee must not accept employment with an employer within 5 years
2.14 after leaving state service if, while employed by the state, the employee:

2.15 (1) participated in evaluating or selecting grant recipients for a grant program that
2.16 awarded a grant to the employer;

2.17 (2) participated in ranking grant applicants for a grant program to which the employer
2.18 applied; or

2.19 (3) administered or audited a grant awarded to the employer.

2.20 (c) A former employee must not enter into a contract to provide services to a person or
2.21 business entity within 12 months after leaving state service if, while employed by the state,
2.22 the employee:

2.23 (1) participated in evaluating or selecting grant recipients for a grant program that
2.24 awarded a grant to the person or business entity;

2.25 (2) participated in ranking grant applicants for a grant program to which the person or
2.26 business entity applied; or

2.27 (3) administered or audited a grant awarded to the person or business entity.

2.28 Sec. 3. Minnesota Statutes 2024, section 43A.38, is amended by adding a subdivision to
2.29 read:

2.30 Subd. 10. **Penalties.** A violation of subdivision 2, paragraph (b), is a violation of section
2.31 609.42.

3.1 Sec. 4. [181.995] EMPLOYMENT RESTRICTION FOR GRANT APPLICANTS
 3.2 AND RECIPIENTS.

3.3 Subdivision 1. Former state employees. An employer must not employ a person who,
 3.4 while employed by the state within the previous 5 years:

3.5 (1) participated in evaluating or selecting grant recipients for a grant program that
 3.6 awarded the employer a grant;

3.7 (2) participated in ranking grant applicants for the grant program to which the employer
 3.8 applied; or

3.9 (3) administered or audited a grant awarded to the employer.

3.10 Subd. 2. Legislators and former legislators. An employer must not employ a legislator
 3.11 or former legislator who voted, within the previous 5 years, in favor of a law that expressly
 3.12 names the employer as a grant recipient.

3.13 Subd. 3. Penalty for violation. Violation of this section is a violation of section 609.42.
 3.14 A grant agreement that resulted from a violation of this section is void. Any amount paid
 3.15 by the state under the grant agreement must be repaid to the state. An employer who violates
 3.16 this section is precluded from receiving a state grant for a period of 10 years following the
 3.17 start of employment that violates this section.

3.18 Subd. 4. Definitions. For purposes of this section, "employ" means paying for services
 3.19 under a traditional employment arrangement or through contracting for services; and
 3.20 "employer" means a traditional employer and a person or business entity contracting for
 3.21 services.

3.22 Sec. 5. Minnesota Statutes 2024, section 211C.01, subdivision 4, is amended to read:

3.23 Subd. 4. **Serious crime.** ~~(a)~~ "Serious crime" means:

3.24 (1) a crime that is punished as a gross misdemeanor, as defined in section 609.02, and
 3.25 that involves assault, intentional injury or threat of injury to person or public safety,
 3.26 dishonesty, harassment, aggravated driving while intoxicated, coercion, obstruction of
 3.27 justice, or the sale or possession of controlled substances;

3.28 ~~(b) "Serious crime" also means~~ (2) a crime that is punished as a misdemeanor, as defined
 3.29 in section 609.02, and that involves assault, intentional injury or threat of injury to person
 3.30 or public safety, dishonesty, coercion, obstruction of justice, or the sale or possession of
 3.31 controlled substances; or

3.32 (3) a crime as defined in section 16A.139, paragraph (a); 609.465; or 609.54.