

SENATE  
STATE OF MINNESOTA  
NINETY-FIRST SESSION

S.F. No. 3287

(SENATE AUTHORS: KLEIN, Marty, Jensen and Abeler)		
DATE	D-PG	OFFICIAL STATUS
02/17/2020	4792	Introduction and first reading
		Referred to Human Services Reform Finance and Policy
02/27/2020		Comm report: To pass as amended and re-refer to Health and Human Services Finance and Policy

1.1

A bill for an act

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relating to human services; establishing criminal penalties for acts involving human

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services programs; proposing coding for new law in Minnesota Statutes, chapter

1.4

609.

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

1.6

Section 1. [609.539] CRIMINAL PENALTIES FOR ACTS INVOLVING HUMAN

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SERVICES PROGRAMS.

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Subdivision 1. Prohibited payments made relating to human services programs. A

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person is guilty of a crime and may be sentenced under subdivision 4, paragraph (a), clause

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(1), if the person knowingly and willfully offers or pays any remuneration, including any

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kickback, bribe, or rebate, directly or indirectly, overtly or covertly, in cash or in kind, to

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another person:

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(1) to induce that person to apply for, receive, or induce another person to apply for or

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receive an item or service for which payment may be made in whole or in part by a local

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social services agency as defined in chapter 393 or by the Department of Human Services,

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or administered by the commissioner of human services; or

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(2) in return for purchasing, leasing, ordering, or arranging for or inducing the purchasing,

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leasing, or ordering of any good, facility, service, or item for which payment may be made

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in whole or in part, or which is administered in whole or in part by a local social services

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agency as defined in chapter 393, the Department of Human Services, or the United States

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Department of Health and Human Services.

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Subd. 2. Receipt of prohibited payments relating to human services programs. A

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person is guilty of a crime and may be sentenced under subdivision 4, paragraph (a), clause

(2), if the person knowingly and willfully solicits or receives any remuneration, including any kickback, bribe, or rebate, directly or indirectly, overtly or covertly, in cash or in kind:

(1) in return for applying for or receiving a human services benefit, service, or grant for which payment may be made in whole or in part by a local services agency as defined in chapter 393 or the Department of Human Services, or is administered by the commissioner of human services; or

(2) in return for purchasing, leasing, ordering, or arranging for or inducing the purchasing, leasing, or ordering of any good, facility, service, or item for which payment may be made in whole or in part, or which is administered in whole or in part, by the Department of Human Services, a local social services agency as defined in chapter 393, or the United States Department of Health and Human Services.

Subd. 3. **Payments exempt.** This section does not apply to remuneration exempted from the Anti-Kickback Statute under United States Code, title 42, section 1320a-7b(b)(3), or remuneration excepted from liability by Code of Federal Regulations, title 42, section 1001.952.

Subd. 4. **Penalties.** (a) A person who violates subdivision 1 or 2 may be sentenced according to section 609.52, subdivision 3, as follows:

(1) for a violation of subdivision 1, the calculated value is equal to the value of the good, facility, service, or item that was obtained as a direct or indirect result of the prohibited payment; or

(2) for a violation of subdivision 2, the calculated value is equal to the value of the prohibited payment solicited or received in violation of subdivision 2.

(b) A claim for any good, facility, service, or item rendered or claimed to have been rendered in violation of this section is noncompensable and unenforceable at the time the claim is made.

Subd. 5. **Aggregation.** In any prosecution under this section, the value of the money or property or services received by the defendant within any six-month period may be aggregated and the defendant charged accordingly in applying the provisions of subdivision 6.

Subd. 6. **Venue.** Notwithstanding section 627.01, an offense committed under this section may be prosecuted in the county where any part of the offense occurred, provided that when two or more offenses are committed by the same person in two or more counties, the person

3.1 may be prosecuted in any county in which one of the offenses was committed for all of the  
3.2 offenses aggregated under this subdivision.

3.3 Subd. 7. **False claims.** In addition to the penalties provided for in this section, a claim  
3.4 that includes items or services resulting from a violation of this section constitutes a false  
3.5 or fraudulent claim for purposes of section 15C.02.

3.6 Subd. 8. **Actual knowledge or specific intent not required.** With respect to a violation  
3.7 of this section, a person need not have actual knowledge of this section or specific intent to  
3.8 commit a violation of this section.