SENATE
STATE OF MINNESOTA
EIGHTY-SEVENTH LEGISLATURE

S.F. No. 429

(SENATE AUTHORS: NEWMAN, Scheid, Thompson and Wiger)

DATE	D-PG	OFFICIAL STATUS
02/24/2011	286	Introduction and first reading Referred to Judiciary and Public Safety
04/28/2011	1451	Author added Newman
05/02/2011	1571a	Comm report: To pass as amended
	1604	Second reading
05/14/2011	2038	Chief author stricken, shown as co-author Scheid Chief author added Newman
05/20/2011	2958	Special Order
	2958	Third reading Passed
02/08/2012		Returned from House with amendment Senate concurred and repassed bill Third reading

A bill for an act

relating to civil actions; providing a factor for determining the amount of attorney fees awarded in certain actions; proposing coding for new law in Minnesota Statutes, chapter 549.

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

Section 1. **[549.255] ATTORNEY FEES AWARDS.**

Subdivision 1. **Reasonable relation of fees to damages.** When a statute provides for the award of attorney fees to a party that has recovered money damages, the court, in setting the amount of attorney fees, must, in addition to other factors, take into consideration the reasonableness of the attorney fees sought in relation to the amount of damages awarded to the prevailing party and the relation between the amount of damages sought and the amount of damages awarded.

Subd. 2. **Offer of judgment.** If an offer of judgment is made by a party under Rule 68 of the Rules of Civil Procedure to a party who claims money damages pursuant, in whole or in part, to a statute that provides for the award of attorney fees, and the party claiming attorney fees does not obtain a verdict in excess of the offer, exclusive of attorney fees, no attorney fees may be awarded for fees incurred after service of the offer of judgment. The party that rejects an offer of judgment must disclose the amount of attorney fees it has incurred as of the date of the service of the offer of judgment within the time period provided by Rule 68 for the acceptance of an offer of judgment.

Sec. 2. **EFFECTIVE DATE.**

Section 1 is effective August 1, 2011, and applies to actions commenced on or after that date.