

## CHAPTER 466

## TORT LIABILITY, POLITICAL SUBDIVISIONS

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**466.01 DEFINITIONS.**

Subdivision 1. **Municipality.** For the purposes of sections 466.01 to 466.15, "municipality" means any city, whether organized under home rule charter or otherwise, any county, town, public authority, public corporation, special district, school district, however organized, county agricultural society organized pursuant to chapter 38, joint powers board or organization created under section 471.59 or other statute, public library, regional public library system, multicounty multitype library system, or other political subdivision.

Subd. 2. For the purposes of sections 466.01 to 466.15, the "governing body of a town" means the board of supervisors thereof; "school district" includes an unorganized territory as defined in Minnesota Statutes 1961, section 120.02, subdivision 17.

Subd. 3. For the purposes of sections 466.01 to 466.15, "release" and "hazardous substance" have the meanings given in section 115B.02.

Subd. 4. For the purposes of sections 466.01 to 466.15, "day care facility" has the meaning given it in section 245.782, subdivision 5.

Subd. 5. For the purposes of sections 466.01 to 466.15, "provider" has the meaning given it in section 245.882, subdivision 12.

**History:** 1963 c 798 s 1; 1973 c 123 art 5 s 7; 1978 c 659 s 3; 1983 c 121 s 27; 1983 c 280 s 2; 1986 c 395 s 12,13; 1986 c 455 s 64

**466.02 TORT LIABILITY.**

Subject to the limitations of sections 466.01 to 466.15, every municipality is subject to liability for its torts and those of its officers, employees and agents acting within the scope of their employment or duties whether arising out of a governmental or proprietary function.

**History:** 1963 c 798 s 2; 1976 c 2 s 142

**466.03 EXCEPTIONS.**

Subdivision 1. **Scope.** Section 466.02 does not apply to any claim enumerated in this section. As to any such claim every municipality shall be liable only in accordance with the applicable statute and where there is no such statute, every municipality shall be immune from liability.

Subd. 2. **Workers' compensation claims.** Any claim for injury to or death of any person covered by the workers' compensation act.

Subd. 3. **Tax claims.** Any claim in connection with the assessment and collection of taxes.

Subd. 4. **Accumulations of snow and ice.** Any claim based on snow or ice conditions on any highway or public sidewalk that does not abut a publicly-owned building or publicly-owned parking lot, except when the condition is affirmatively caused by the negligent acts of the municipality.

Subd. 5. **Execution of statute.** Any claim based upon an act or omission of an

officer or employee, exercising due care, in the execution of a valid or invalid statute, charter, ordinance, resolution, or rule.

Subd. 6. **Discretionary acts.** Any claim based upon the performance or the failure to exercise or perform a discretionary function or duty, whether or not the discretion is abused.

Subd. 6a. **Driving under the influence; custody of motor vehicle.** Any claim for which recovery is prohibited by section 169.121, subdivision 9.

Subd. 6b. **Unimproved property.** Any claim based upon the condition of unimproved real property owned by the municipality.

Subd. 6c. **Water access sites.** Any claim based upon the construction, operation, or maintenance by a municipality of a water access site created by the iron range resources and rehabilitation board.

Subd. 6d. **Licensing of providers.** A claim against a municipality based on the failure of a provider to meet the standards needed for a license to operate a day care facility, as defined in section 245.782, subdivision 5, for children, unless the municipality had actual knowledge of a failure to meet licensing standards that resulted in a dangerous condition that foreseeably threatened the plaintiff.

Subd. 6e. **Parks and recreation areas.** Any claim based upon the construction, operation, or maintenance of any property owned or leased by the municipality that is intended or permitted to be used as a park, as an open area for recreational purposes, or for the provision of recreational services, or from any claim based on the clearing of land, removal of refuse, and creation of trails or paths without artificial surfaces, if the claim arises from a loss incurred by a user of park and recreation property or services. Nothing in this subdivision limits the liability of a municipality for conduct that would entitle a trespasser to damages against a private person.

Subd. 7. **Other immunity.** Any claim against a municipality as to which the municipality is immune from liability by the provisions of any other statute.

Subd. 8. Any claim for a loss other than injury to or loss of property or personal injury or death.

Subd. 9. Any claim for a loss of benefits or compensation due under a program of public assistance or public welfare, except where municipal compensation for loss is expressly required by federal law in order for the municipality to receive federal grants-in-aid.

Subd. 10. Any claim for a loss based on the failure of any person to meet the standards needed for a license, permit, or other authorization issued by the municipality or its agents.

Subd. 11. Any claim for a loss based on the usual care and treatment, or lack of care and treatment, of any person at a municipal hospital or corrections facility where reasonable use of available funds has been made to provide care.

Subd. 12. Any claim for a loss, damage, or destruction of property of a patient or inmate of a municipal institution.

Subd. 13. Any claim for a loss caused by the condition of unimproved real property owned by a municipality, which means land that the municipality has not improved, and appurtenances, fixtures and attachments to land that the municipality has neither affixed nor improved.

Subd. 14. Any claim for a loss for which recovery is prohibited by section 169.121, subdivision 9.

Subd. 15. Any claim against a municipality, if the same claim would be excluded under section 3.736, if brought against the state.

**History:** 1963 c 798 s 3; 1975 c 359 s 23; 1982 c 423 s 13; 1983 c 362 s 1; 1985 c 248 s 70; 1Sp1985 c 13 s 346; 1986 c 395 s 14; 1986 c 455 s 65-74

#### 466.04 MAXIMUM LIABILITY.

Subdivision 1. **Limits; punitive damages.** Liability of any municipality on any claim within the scope of sections 466.01 to 466.15 shall not exceed

(a) \$200,000 when the claim is one for death by wrongful act or omission and \$200,000 to any claimant in any other case;

(b) \$600,000 for any number of claims arising out of a single occurrence;

(c) Twice the limits provided in clauses (a) and (b), but not less than \$300,000 per claim, when the claim arises out of the release or threatened release of a hazardous substance, whether the claim is brought under sections 115B.01 to 115B.15 or under any other law.

No award for damages on any such claim shall include punitive damages.

**Subd. 1a. Officers and employees.** The liability of an officer or an employee of any municipality for a tort arising out of an alleged act or omission occurring in the performance of duty shall not exceed the limits set forth in subdivision 1, unless the officer or employee provides professional services and also is employed in the profession for compensation by a person or persons other than the municipality.

**Subd. 1b. Total claim.** The total liability of the municipality on a claim against it and against its officers or employees arising out of a single occurrence shall not exceed the limits set forth in subdivision 1.

**Subd. 2. Inclusions.** The limitation imposed by this section on individual claimants includes damages claimed for loss of services or loss of support arising out of the same tort.

**Subd. 3. Disposition of multiple claims.** Where the amount awarded to or settled upon multiple claimants exceeds \$600,000, any party may apply to any district court to apportion to each claimant a proper share of the total amount limited by subdivision 1. The share apportioned each claimant shall be in the proportion that the ratio of the award or settlement made to each bears to the aggregate awards and settlements for all claims arising out of the occurrence.

**History:** 1963 c 798 s 4; 1976 c 264 s 1-3; 1983 c 121 s 28; 1983 c 331 s 2,3; 1986 c 444

#### 466.05 NOTICE OF CLAIM.

**Subdivision 1. Notice required.** Except as provided in subdivisions 2 and 3, every person, whether plaintiff, defendant or third party plaintiff or defendant, who claims damages from any municipality or municipal employee acting within the scope of employment for or on account of any loss or injury within the scope of section 466.02 shall cause to be presented to the governing body of the municipality within 180 days after the alleged loss or injury is discovered a notice stating the time, place and circumstances thereof, the names of the municipal employees known to be involved, and the amount of compensation or other relief demanded. Actual notice of sufficient facts to reasonably put the governing body of the municipality or its insurer on notice of a possible claim shall be construed to comply with the notice requirements of this section. Failure to state the amount of compensation or other relief demanded does not invalidate the notice; but in such case, the claimant shall furnish full information regarding the nature and extent of the injuries and damages within 15 days after demand by the municipality. The time for giving such notice does not include the time, during which the person injured is incapacitated by the injury from giving the notice.

**Subd. 2. Claims for wrongful death; notice.** When the claim is one for death by wrongful act or omission, the notice may be presented by the personal representative, surviving spouse, or next of kin, or the consular officer of the foreign country of which the deceased was a citizen, within one year after the alleged injury or loss resulting in such death; if the person for whose death the claim is made has presented a notice that would have been sufficient had the person lived an action for wrongful death may be brought without any additional notice.

**History:** 1963 c 798 s 5; 1974 c 311 s 1; 1976 c 264 s 4,5; 1986 c 444; 1986 c 455 s 75

**466.06 LIABILITY INSURANCE.**

The governing body of any municipality may procure insurance against liability of the municipality and its officers, employees, and agents for damages resulting from its torts and those of its officers, employees, and agents, including torts specified in section 466.03 for which the municipality is immune from liability. The insurance may provide protection in excess of the limit of liability imposed by section 466.04. If the municipality has the authority to levy taxes, the premium costs for such insurance may be levied in excess of any per capita or millage tax limitation imposed by statute or charter. However, a school district may not levy pursuant to this section for premium costs for motor vehicle insurance protecting against injuries or damages arising out of the operation of district owned, operated, leased, or controlled vehicles for the transportation of pupils for purposes for which state aid is authorized under section 124.223, or for purposes for which the district is authorized to levy under section 275.125, subdivision 5d. Any independent board or commission in the municipality having authority to disburse funds for a particular municipal function without approval of the governing body may similarly procure liability insurance with respect to the field of its operation. The procurement of such insurance constitutes a waiver of the defense of governmental immunity to the extent of the liability stated in the policy but has no effect on the liability of the municipality beyond the coverage so provided.

**History:** 1963 c 798 s 6; 1977 c 447 art 6 s 11; 1983 c 314 art 6 s 30; 1984 c 463 art 6 s 12

**466.07 INDEMNIFICATION.**

**Subdivision 1. Authority to indemnify.** The governing body of any municipality may defend, save harmless, and indemnify any of its officers and employees, whether elective or appointive, against any tort claim or demand, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of duty. Any independent board or commission of the municipality having authority to disburse funds for a particular function without approval of the governing body may similarly defend, save harmless, and indemnify its officers and employees against such tort claims or demands.

**Subd. 1a. Authority to indemnify.** Each municipality or any instrumentality thereof shall indemnify and provide defense for any employee or officer against judgments or any amounts paid in settlement actually and reasonably incurred in connection with any tort claim or demand arising out of an alleged act or omission occurring within the scope of employment or official duties, subject to the limitations set forth in section 466.04.

The provisions of this subdivision requiring indemnification do not apply in the case of malfeasance in office or willful or wanton neglect of duty.

**Subd. 2. Exceptions.** The provisions of subdivision 1 do not apply in case of malfeasance in office or willful or wanton neglect of duty.

**Subd. 3. Effect on other laws.** This section does not repeal or modify Minnesota Statutes 1961, Sections 471.44, 471.45 and 471.86.

**Subd. 4. Punitive damages.** A municipality may not save harmless, indemnify or insure an officer or employee for punitive damages levied against the officer or employer. The municipality may provide a defense against a claim for punitive damages as a necessary incident to other elements of a defense.

**History:** 1963 c 798 s 7; 1979 c 205 s 1; 1986 c 444; 1986 c 455 s 76

**466.08 COMPROMISE OF CLAIMS.**

The governing body of any municipality may compromise, adjust and settle tort claims against the municipality for damages under section 466.02 and may, subject to procedural requirements imposed by law or charter, appropriate money for the payment of amounts agreed upon. When the amount of a settlement exceeds \$2,500, the settlement shall not be effective until approved by the district court.

**History:** 1963 c 798 s 8

**466.09 PAYMENT OF JUDGMENTS.**

When a judgment is entered against or a settlement is made by a municipality for a claim within the scope of section 466.02, payment shall be made and the same remedies shall apply in case of nonpayment as in the case of other judgments or settlements against the municipality. If the municipality has the authority to levy taxes and the judgment or settlement is unpaid at the time of the annual tax levy, the governing body shall, if it finds that other funds are not available for payment of the judgment, levy a tax sufficient to pay the judgment or settlement and interest accruing thereon to the expected time of payment. Such tax may be levied in excess of any per capita or millage tax limitation imposed by statute or charter.

*History: 1963 c 798 s 9*

**466.10 PRIOR CLAIMS.**

Laws 1963, chapter 798, does not apply to any claim against any municipality arising before the effective date of Laws 1963, chapter 798. Any such claim may be presented and enforced to the same extent and subject to the same procedure and restrictions as if Laws 1963, chapter 798, had not been adopted.

*History: 1963 c 798 s 10*

**466.101 LAW ENFORCEMENT COSTS.**

When costs are assessed against a municipality for injuries incurred or other medical expenses connected with the arrest of individuals violating Minnesota Statutes, the municipality responsible for the hiring, firing, training, and control of the law enforcement and other employees involved in the arrest is responsible for those costs.

*History: 1986 c 455 s 77*

**466.11 RELATION TO CHARTERS AND SPECIAL LAWS.**

Sections 466.01 to 466.15 are exclusive of and supersede all home rule charter provisions and special laws on the same subject heretofore and hereafter adopted.

*History: 1963 c 798 s 11*

**466.12 SCHOOL DISTRICTS AND CERTAIN TOWNS.**

Subdivision 1. Sections 466.01 to 466.11, except as otherwise provided for in this section, do not apply to any school district, however organized, or to a town not exercising the powers of a statutory city under the provisions of Minnesota Statutes 1961, section 368.01, as amended.

Subd. 2. The doctrine of "governmental immunity from tort liability" as a rule of the decisions of the courts of this state is hereby enacted as a rule of statutory law applicable to all school districts and towns not exercising powers of statutory cities in the same manner and to the same extent as it was applied in this state to school districts and such towns on and prior to December 13, 1962.

As used in this subdivision the doctrine of "governmental immunity from tort liability" means the doctrine as part of the common law of England as adopted by the courts of this state as a rule of law exempting from tort liability school districts and towns not exercising the powers of statutory cities regardless of whether they are engaged in either governmental or proprietary activities, subject however, to such modifications thereof made by statutory enactments heretofore enacted, and subject to the other provisions of this section.

Subd. 3. A town not exercising the powers of a statutory city may procure insurance as provided for in section 466.06, and if a town not exercising the powers of a statutory city procures such insurance it shall otherwise be subject to all the terms and provisions of sections 466.02 to 466.09 to the extent of the liability coverage afforded. Cancellation or expiration of any liability policy shall restore immunity as herein provided as of the date of such cancellation or expiration.

Subd. 3a. A school district shall procure insurance as provided in section 466.06, meeting the requirements of section 466.04, if it is able to obtain insurance and the cost thereof does not exceed \$1.50 per pupil per year for the average number of pupils. If, after a good faith attempt to procure such insurance, a school district is unable to do so, and the commissioner of insurance certifies that such insurance is unobtainable, it shall be subject to the provisions of subdivisions 1 and 2. If the school district fails to make a good faith attempt to procure such insurance and the commissioner of insurance does not certify that such insurance is unobtainable, then in that event section 466.12 shall not apply to such a school district and it shall be subject to all of the other applicable provisions of chapter 466.

Subd. 4. This section is in effect on January 1, 1964, but all of its provisions shall expire on July 1, 1974, except that as to towns not exercising municipal powers pursuant to section 368.01, the provisions of this section shall expire on July 1, 1975. Prior to that date, the affected towns may take action individually, or jointly, or collectively through the Minnesota Association of Township Officers, to procure insurance against the liability imposed by this chapter to the extent of the limits of section 466.04.

The town board of an affected town may call a special town meeting at any time prior to October 1, 1974, for the purpose of voting a tax to pay the cost of procuring the insurance required by this section. The special meeting may be called by filing with the town clerk a written statement setting forth the reasons and necessity for the meeting. The provisions of law applicable to the conduct of special town meetings generally shall apply to a special town meeting held pursuant to the authority granted in this section.

**History:** 1963 c 798 s 12; 1965 c 748 s 1; 1969 c 826 s 1-3; 1973 c 123 art 5 s 7; 1974 c 472 s 1

**466.13** [Expired]

#### **466.131 INDEMNIFICATION BY STATE.**

Until July 1, 1987, a municipality is an employee of the state for purposes of the indemnification provisions of section 3.736, subdivision 9, when the municipality is required by the public welfare licensing act and rules promulgated under it to inspect or investigate a provider. After July 1, 1987, a municipality is an employee of the state for purposes of the indemnification provisions of section 3.736, subdivision 9, when the municipality is required by the public welfare licensing act and rules adopted under it to inspect or investigate a provider, and the municipality has been duly certified under standards for certification developed by the commissioner of human services.

**History:** 1986 c 395 s 15

#### **466.132 INDEMNIFICATION BY STATE.**

Municipalities, when performing, as required or mandated by state law, inspections or investigations of persons prior to the issuance of state licenses, are employees of the state for purposes of the indemnification provisions of section 3.736, subdivision 9. A municipality is not, however, an employee of the state for purposes of this section if in hiring, supervising, or continuing to employ the person performing an inspection or investigation for the municipality, the municipality was clearly negligent.

**History:** 1986 c 455 s 90

**466.14** [Expired]

#### **466.15 CIVIL DAMAGES ACT, APPLICATION.**

Sections 466.01 to 466.15 do not modify section 340A.801.

**History:** 1963 c 798 s 15; 1Sp1985 c 305 art 12 s 5; 1Sp1985 c 16 art 2 s 26