609.5315 DISPOSITION OF FORFEITED PROPERTY.

Subdivision 1. **Disposition.** (a) Subject to paragraph (b), if the court finds under section 609.5313, 609.5314, or 609.5318 that the property is subject to forfeiture, it shall order the appropriate agency to do one of the following:

(1) unless a different disposition is provided under clause (3) or (4), either destroy firearms, ammunition, and firearm accessories that the agency decides not to use for law enforcement purposes under clause (8), or sell them to federally licensed firearms dealers, as defined in section 624.7161, subdivision 1, and distribute the proceeds under subdivision 5 or 5b;

(2) sell property that is not required to be destroyed by law and is not harmful to the public and distribute the proceeds under subdivision 5 or 5b;

(3) sell antique firearms, as defined in section 624.712, subdivision 3, to the public and distribute the proceeds under subdivision 5 or 5b;

(4) destroy or use for law enforcement purposes semiautomatic military-style assault weapons, as defined in section 624.712, subdivision 7;

(5) take custody of the property and remove it for disposition in accordance with law;

(6) forward the property to the federal drug enforcement administration;

(7) disburse money as provided under subdivision 5, 5b, or 5c; or

(8) keep property other than money for official use by the agency and the prosecuting agency.

(b) Notwithstanding paragraph (a), the Hennepin or Ramsey County sheriff may not sell firearms, ammunition, or firearms accessories if the policy is disapproved by the applicable county board.

(c) If property is sold under paragraph (a), the appropriate agency shall not sell property to: (1) an officer or employee of the agency that seized the property or to a person related to the officer or employee by blood or marriage; or (2) the prosecuting authority or any individual working in the same office or a person related to the authority or individual by blood or marriage.

(d) Sales of forfeited property under this section must be conducted in a commercially reasonable manner.

Subd. 2. **Disposition of administratively forfeited property.** If property is forfeited administratively under section 609.5314 or 609.5318 and no demand for judicial determination is made, the appropriate agency shall provide the prosecuting authority with a copy of the forfeiture or evidence receipt, the notice of seizure and intent to forfeit, a statement of probable cause for forfeiture of the property, and a description of the property and its estimated value. Upon review and certification by the prosecuting authority that (1) the appropriate agency provided a receipt in accordance with section 609.531, subdivision 4, or 626.16; (2) the appropriate agency served notice in accordance with section 609.5314, subdivision 2, or 609.5318, subdivision 2; and (3) probable cause for forfeiture exists based on the officer's statement, the appropriate agency may dispose of the property in any of the ways listed in subdivision 1.

Subd. 3. **Use by law enforcement.** (a) Property kept under this section may be used only in the performance of official duties of the appropriate agency or prosecuting agency and may not be used for any other purpose. If an appropriate agency keeps a forfeited motor vehicle for official use, it shall make reasonable efforts to ensure that the motor vehicle is available for use and adaptation by the agency's officers who participate in the drug abuse resistance education program.

(b) Proceeds from the sale of property kept under this subdivision must be disbursed as provided in subdivision 5.

Subd. 4. **Distribution of proceeds of the offense.** Property that consists of proceeds derived from or traced to the commission of a designated offense or a violation of section 609.66, subdivision 1e, must be applied first to payment of seizure, storage, forfeiture, and sale expenses, and to satisfy valid liens against the property; and second, to any court-ordered restitution before being disbursed as provided under subdivision 5.

Subd. 5. **Distribution of money.** The money or proceeds from the sale of forfeited property, after payment of seizure, storage, forfeiture, and sale expenses, and satisfaction of valid liens against the property, must be distributed as follows:

(1) 70 percent of the money or proceeds must be forwarded to the appropriate agency for deposit as a supplement to the agency's operating fund or similar fund for use in law enforcement, training, education, crime prevention, equipment, or capital expenses;

(2) 20 percent of the money or proceeds must be forwarded to the prosecuting authority that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes, training, education, crime prevention, equipment, or capital expenses; and

(3) the remaining ten percent of the money or proceeds must be forwarded within 60 days after resolution of the forfeiture to the state treasury and credited to the general fund. Any local police relief association organized under chapter 423 which received or was entitled to receive the proceeds of any sale made under this section before the effective date of Laws 1988, chapter 665, sections 1 to 17, shall continue to receive and retain the proceeds of these sales.

Subd. 5a. **Disposition of certain forfeited proceeds; prostitution.** The proceeds from the sale of motor vehicles forfeited under section 609.5312, subdivision 3, after payment of seizure, storage, forfeiture, and sale expenses, and satisfaction of valid liens against the vehicle, shall be distributed as follows:

(1) 40 percent of the proceeds must be forwarded to the appropriate agency for deposit as a supplement to the agency's operating fund or similar fund for use in law enforcement;

(2) 20 percent of the proceeds must be forwarded to the prosecuting authority that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes; and

(3) the remaining 40 percent of the proceeds must be forwarded to the city treasury for distribution to neighborhood crime prevention programs.

Subd. 5b. **Disposition of certain forfeited proceeds; trafficking of persons.** Except as provided in subdivision 5c, for forfeitures resulting from violations of section 609.282, 609.283, or 609.322, the money or proceeds from the sale of forfeited property, after payment of seizure, storage, forfeiture, and sale expenses, and satisfaction of valid liens against the property, must be distributed as follows:

(1) 40 percent of the proceeds must be forwarded to the appropriate agency for deposit as a supplement to the agency's operating fund or similar fund for use in law enforcement;

(2) 20 percent of the proceeds must be forwarded to the prosecuting authority that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes; and

(3) the remaining 40 percent of the proceeds must be forwarded to the commissioner of health and are appropriated to the commissioner for distribution to crime victims services organizations that provide services to victims of trafficking offenses.

Subd. 5c. **Disposition of money; prostitution.** Money forfeited under section 609.5312, subdivision 1, paragraph (b), must be distributed as follows:

(1) 40 percent must be forwarded to the appropriate agency for deposit as a supplement to the agency's operating fund or similar fund for use in law enforcement;

(2) 20 percent must be forwarded to the prosecuting authority that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes; and

(3) the remaining 40 percent must be forwarded to the commissioner of health to be deposited in the safe harbor for youth account in the special revenue fund and is appropriated to the commissioner for distribution to crime victims services organizations that provide services to sexually exploited youth, as defined in section 260C.007, subdivision 31.

Subd. 6. **Reporting requirement.** (a) For each forfeiture occurring in the state regardless of the authority for it and including forfeitures pursued under federal law, the appropriate agency and the prosecuting authority shall provide a written record of the forfeiture incident to the state auditor. The record shall include:

(1) the amount forfeited;

(2) the statutory authority for the forfeiture;

(3) the date of the forfeiture;

(4) a brief description of the circumstances involved;

(5) whether the forfeiture was contested;

(6) whether the defendant was convicted pursuant to a plea agreement or a trial;

(7) whether there was a forfeiture settlement agreement;

(8) whether the property was sold, destroyed, or retained by an appropriate agency;

(9) the gross revenue from the disposition of the forfeited property;

(10) an estimate of the total costs to the agency to store the property in an impound lot, evidence room, or other location; pay for the time and expenses of an appropriate agency and prosecuting authority to litigate forfeiture cases; and sell or dispose of the forfeited property;

(11) the net revenue, determined by subtracting the costs identified under clause (10) from the gross revenue identified in clause (9), the appropriate agency received from the disposition of forfeited property;

(12) if any property was retained by an appropriate agency, the purpose for which it is used;

(13) for controlled substance and driving while impaired forfeitures, whether the forfeiture was initiated as an administrative or a judicial forfeiture;

(14) the number of firearms forfeited and the make, model, and serial number of each firearm forfeited; and

(15) how the property was or is to be disposed of.

(b) An appropriate agency or the prosecuting authority shall report to the state auditor all instances in which property seized for forfeiture is returned to its owner either because forfeiture is not pursued or for any other reason.

(c) Each appropriate agency and prosecuting authority shall provide a written record regarding the proceeds of forfeited property, including proceeds received through forfeiture under state and federal law. The record shall include:

(1) the total amount of money or proceeds from the sale of forfeited property obtained or received by an appropriate agency or prosecuting authority in the previous reporting period;

(2) the manner in which each appropriate agency and prosecuting authority expended money or proceeds from the sale of forfeited property in the previous reporting period, including the total amount expended in the following categories:

(i) drug abuse, crime, and gang prevention programs;

(ii) victim reparations;

(iii) gifts or grants to crime victim service organizations that provide services to sexually exploited youth;

(iv) gifts or grants to crime victim service organizations that provide services to victims of trafficking offenses;

(v) investigation costs, including but not limited to witness protection, informant fees, and controlled buys;

(vi) court costs and attorney fees;

(vii) salaries, overtime, and benefits, as permitted by law;

(viii) professional outside services, including but not limited to auditing, court reporting, expert witness fees, outside attorney fees, and membership fees paid to trade associations;

(ix) travel, meals, and conferences;

(x) training and continuing education;

(xi) other operating expenses, including but not limited to office supplies, postage, and printing;

(xii) capital expenditures, including but not limited to vehicles, firearms, equipment, computers, and furniture;

(xiii) gifts or grants to nonprofit or other programs, indicating the recipient of the gift or grant; and

(xiv) any other expenditure, indicating the type of expenditure and, if applicable, the recipient of any gift or grant;

(3) the total value of seized and forfeited property held by an appropriate agency and not sold or otherwise disposed of; and

(4) a statement from the end of each year showing the balance of any designated forfeiture accounts maintained by an appropriate agency or prosecuting authority.

(d) Reports under paragraphs (a) and (b) shall be made on a quarterly basis in a manner prescribed by the state auditor and reports under paragraph (c) shall be made on an annual basis in a manner prescribed by the state auditor. The state auditor shall report annually to the legislature on the nature and extent of forfeitures, including the information provided by each appropriate agency or prosecuting authority under paragraphs (a) to (c). Summary data on seizures, forfeitures, and expenditures of forfeiture proceeds shall be disaggregated by each appropriate agency and prosecuting authority. The report shall be made public on the state auditor's website.

(e) For forfeitures resulting from the activities of multijurisdictional law enforcement entities, the entity on its own behalf shall report the information required in this subdivision.

(f) The prosecuting authority is not required to report information required by paragraph (a) or (b) unless the prosecuting authority has been notified by the state auditor that the appropriate agency has not reported it.

Subd. 7. **Firearms.** The agency shall make best efforts for a period of 90 days after the seizure of an abandoned or stolen firearm to protect the firearm from harm and return it to the lawful owner.

History: *1988 c 665 s 15; 1989 c 290 art 3 s 32; 1989 c 335 art 4 s 100; 1990 c 499 s 9; 1992 c 513 art 4 s 49; 1993 c 326 art 1 s 10-12; art 4 s 30; 1994 c 636 art 3 s 12-15; art 4 s 29; 1999 c 148 s 1,2; 2005 c 136 art 17 s 39,40; 2010 c 391 s 16-18; 2012 c 128 s 20-23,26; 2013 c 80 s 2-4; 1Sp2017 c 6 art 10 s 137; 2018 c 144 s 3; 1Sp2021 c 11 art 5 s 18-20*