

15E.27 LAW ENFORCEMENT POWERS.

Subdivision 1. **Authorization.** Beginning January 1, 2028, the inspector general may appoint peace officers, as defined in section 626.84, subdivision 1, paragraph (c), and establish a law enforcement agency, as defined in section 626.84, subdivision 1, paragraph (f), known as the Office of the Inspector General Anti-Fraud and Waste Bureau, to conduct statewide investigations, and to make statewide arrests under sections 629.30 and 629.34 for offenses that are within the bureau's jurisdiction.

Subd. 2. **Jurisdiction.** (a) As used in this subdivision:

(1) "law enforcement agency" has the meaning given in section 626.84, subdivision 1, paragraph (f);

(2) "public employee" means a person employed by or acting for an agency or a county, municipality, or other subdivision or governmental instrumentality of the state for the purpose of exercising their respective powers and performing their respective duties, and who is not a public officer. Public employee includes a member of a charter commission; and

(3) "public officer" has the meaning given in section 609.415, subdivision 1, clause (1), paragraphs (a), (d), (e), and (f), and also includes a member of a governing board of a county, municipality, or other subdivision of the state, or other governmental instrumentality within the state.

(b) The Office of the Inspector General Anti-Fraud and Waste Bureau has jurisdiction to initiate inquiries and conduct investigations into suspected fraudulent activity, misuse, or criminal misconduct involving:

(1) a state agency;

(2) a public officer exercising official powers or performing official duties;

(3) a public employee;

(4) a program or service funded or administered by the state;

(5) a public assistance benefit; or

(6) public funds.

(c) At the inspector general's discretion, the bureau may respond to the request of a law enforcement agency to exercise law enforcement duties in cooperation with the law enforcement agency that has jurisdiction over the particular matter.

Subd. 3. **Coordination with other law enforcement agencies.** (a) The bureau must develop policies for notifying, coordinating with, and referring investigations to other law enforcement agencies with concurrent jurisdiction.

(b) The Department of Human Services and the state Medicaid Fraud Control Unit have primary responsibility to investigate suspected fraudulent activity in the Medicaid program. The bureau may work with the Department of Human Services, the state Medicaid Fraud Control Unit, the Financial Crimes and Fraud Section of the Bureau of Criminal Apprehension, and other state agencies and law enforcement agencies in cases involving suspected fraudulent activity in the Medicaid program. The bureau also has authority to conduct independent investigations into suspected fraudulent activity in the Medicaid program.

(c) If the bureau arrests a person, the bureau must notify the law enforcement agency with jurisdiction over the location where the offense occurred and, if different, the law enforcement agency with jurisdiction over the location where the arrest took place. The bureau is responsible for issuing any citations, filing any

required reports, and delivering an arrested person to a county jail or other appropriate facility unless the bureau and a law enforcement agency with concurrent jurisdiction enter an agreement under which the other law enforcement agency acts as the lead agency.

(d) Following an arrest made by the bureau, the bureau is responsible for any subsequent investigation unless:

(1) the bureau is responding to a law enforcement agency's request to exercise its duties in cooperation with the law enforcement agency that has jurisdiction over the particular matter; or

(2) the bureau and a law enforcement agency with concurrent jurisdiction enter an agreement under which the other law enforcement agency acts as the lead agency.

Subd. 4. Policy for notice of investigations. The bureau must develop a policy for notifying the law enforcement agency with primary jurisdiction when it has initiated investigation of any person within the jurisdiction of that agency.

Subd. 5. Chief law enforcement officer. If the inspector general establishes a law enforcement agency under this section, the inspector general shall appoint a peace officer employed full time to be the chief law enforcement officer and to be responsible for the management of the bureau. The chief law enforcement officer shall possess the necessary police and management experience to manage a law enforcement agency. The chief law enforcement officer may appoint, discipline, and discharge all employees of the bureau. All police managerial and supervisory personnel must be full-time employees of the bureau. Supervisory personnel must be on duty and available any time peace officers of the bureau are on duty.

Subd. 6. Compliance. Except as otherwise provided in this section, the bureau shall comply with all statutes and administrative rules relating to the operation and management of a law enforcement agency.

Subd. 7. Powers and duties; limitations. Powers and duties for civil or administrative enforcement provided to the inspector general or the Office of the Inspector General under this chapter do not apply to the bureau. The inspector general must not delegate the auxiliary powers described in section 15E.30, such as the power to issue subpoenas, perform inspections without a warrant, and impose penalties, to the bureau and must not exercise those auxiliary powers at the direction of the bureau. Nothing in this subdivision prohibits:

(1) the inspector general from disseminating data to the bureau if there is reason to believe that the data are evidence of criminal activity within the bureau's jurisdiction; or

(2) the bureau from referring a matter to the inspector general for appropriate regulatory investigation.

Subd. 8. Evidence, documentation, and related materials. If the bureau seeks evidence, documentation, and related materials pertinent to an investigation, and the matter is located outside of this state, the bureau may designate representatives, including officials of the state where the matter is located, to secure the matter or inspect the matter on its behalf.

Subd. 9. Annual report on activities and cost-effectiveness. By February 1 of each year, the chief law enforcement officer of the bureau shall report to the governor, the inspector general, and the chairs and ranking minority members of the legislative committees with jurisdiction over state government policy and finance, and public safety policy and finance, on the activities and cost-effectiveness of the bureau since the previous report, including but not limited to:

(1) the number of allegations or reports of suspected violations provided to the bureau;

- (2) the number of investigations initiated by the bureau;
- (3) the outcomes and current status of each investigation;
- (4) the charging decisions made by the prosecuting authority of incidents investigated by the bureau;
- (5) the amount of restitution ordered in cases investigated by the bureau; and

(6) the amount of money recovered by the bureau through restitution payments, asset forfeiture, or other means and the distribution of that money.

Subd. 10. **Assignment of peace officers; employment status.** (a) Regardless of whether the inspector general establishes a law enforcement agency under this section, the inspector general may enter into memoranda of understanding with chief law enforcement officers of state and local law enforcement agencies to assign peace officers as defined in section 626.84, subdivision 1, paragraph (c), to the Office of the Inspector General. Peace officers assigned to the Office of the Inspector General under this subdivision have statewide jurisdiction to conduct criminal investigations into matters described in subdivision 2 and have the same powers of arrest as those possessed by a sheriff.

(b) Peace officers assigned to the Office of the Inspector General under this subdivision remain employees of the same entity that employed them before the assignment authorized under this section. Those officers are not employees of the Office of the Inspector General.

(c) Peace officers assigned to the Office of the Inspector General under this subdivision are subject to annual performance reviews conducted by the inspector general or an operational supervisor designated by the inspector general.

Subd. 11. **Data practices.** The Office of the Inspector General Anti-Fraud and Waste Bureau is subject to chapter 13.

History: 2026 c 92 art 1 s 8