

8.37 CONSUMER PROTECTION RESTITUTION ACCOUNT.

Subdivision 1. **Creation of account.** The consumer protection restitution account is established in the special revenue fund. Money in the account is appropriated annually to the attorney general for the purposes provided under subdivision 4.

Subd. 2. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Account" means the consumer protection restitution account established under this section.

(c) "Account administrator" means a person appointed by the attorney general as an account administrator under this section.

(d) "Consumer enforcement action" means litigation in any forum, or settlement of a matter that could have resulted in litigation, by the attorney general in whole or in part under (1) the authority of the attorney general provided in section 8.31, or (2) other authority granted to the attorney general by law to obtain the remedies provided in section 8.31.

(e) "Consumer enforcement public compensation" means money awarded or recovered in a consumer enforcement action to vindicate public interests by providing restitution or other compensation to persons directly impacted by unlawful acts and practices that are the subject of the consumer enforcement action.

(f) "Court-appointed administrator" means an administrator appointed by a court under section 8.31, subdivision 3c.

(g) "Eligible consumer" means a person who was directly impacted by unlawful acts and practices that are the subject of a consumer enforcement action and, as a result, is eligible to receive consumer enforcement public compensation under a final order.

(h) "Final order" means a judgment, assurance of discontinuance, consent order, settlement, stipulation, or other order or settlement that is no longer appealable and for which no appeals are pending. A final order does not include any judgment, assurance of discontinuance, consent order, settlement, stipulation, or other order or settlement entered into before January 1, 2024.

(i) "Identified amount of unpaid consumer enforcement public compensation" means a specific amount of consumer enforcement public compensation that the attorney general, court-appointed administrator, or fund administrator has determined a specific eligible consumer is entitled to receive following a final order in a consumer enforcement action and that has not been distributed to the specific eligible consumer.

Subd. 3. **Money deposited in the account.** 50 percent of all money recovered by the attorney general in a consumer enforcement action that is payable to the state and not designated as consumer enforcement public compensation or for another specific purpose up to the first \$5,000,000 each fiscal year must be deposited into the account. The remaining 50 percent of money recovered by the attorney general in a consumer enforcement action that is payable to the state and not designated as consumer enforcement public compensation or for another specific purpose must be deposited into the general fund. For purposes of this subdivision, the amount of money recovered in a consumer enforcement action that must be deposited into the fund is determined at the time when the money otherwise would have been deposited into the general fund.

Subd. 4. **Permissible use of account.** Money in the account must be used only to distribute consumer enforcement action public compensation to eligible consumers under subdivision 5 and for costs to administer the account. The costs to administer the account may include the cost to retain for any permissible purpose

an account administrator or court-appointed administrator but must not exceed three percent of the total amount of money available. The attorney general may pay an account administrator from the account if the account contains excess money.

Subd. 5. Distributions to eligible consumers. (a) Money in the account may be distributed to any eligible consumer with an identified amount of unpaid consumer enforcement public compensation. If the amount of money in the account is insufficient to pay all distributions to eligible consumers with an identified amount of unpaid consumer enforcement public compensation, the money must be distributed first to consumers eligible for unpaid consumer enforcement public compensation based on a consumer enforcement action with a final order of the oldest date.

(b) If the attorney general projects that there will be insufficient funding to pay all eligible consumers from the funds available on an ongoing basis, the attorney general may recommend to the legislature that the legislature prescribe a formula for prorating or capping payments to eligible consumers so that more eligible consumers will receive payment from the fund.

Subd. 6. Impractical payments and unreasonable effort as to unpaid compensation. (a) The attorney general may deem a distribution to an eligible consumer with an identified amount of unpaid consumer enforcement public compensation impractical if:

(1) the distribution to the eligible consumer is too small to justify the cost to locate the eligible consumer or make the payment;

(2) the eligible consumer does not redeem a payment within a reasonable time; or

(3) other circumstances make distributing the unpaid consumer enforcement compensation to the eligible consumer unreasonable.

(b) The attorney general may deem an attempt to determine an identified amount of unpaid consumer enforcement public compensation for some or all eligible consumers relating to a consumer enforcement action is unreasonable when the judgment, assurance of discontinuance, consent order, settlement, stipulation, or other order or settlement does not identify specific amounts of consumer enforcement public compensation for specific consumers if:

(1) the number of likely eligible consumers and the amount of likely unpaid consumer enforcement public compensation is too small to justify the cost to determine an identified amount of unpaid consumer enforcement public compensation;

(2) the information needed to identify an amount of unpaid consumer enforcement public compensation is unavailable or too costly to obtain; or

(3) other circumstances make an attempt to determine an identified amount of unpaid consumer enforcement public compensation unreasonable.

Subd. 7. Concluded distributions. The attorney general must stop providing distributions of unpaid consumer enforcement public compensation relating to a consumer enforcement action when the attorney general determines:

(1) all eligible consumers with an identified amount of unpaid consumer enforcement public compensation for the consumer enforcement action have received a distribution through the account or the distribution has been deemed impractical under subdivision 6, paragraph (a); and

(2) no additional eligible consumers with unpaid consumer enforcement public compensation for the consumer enforcement action exist or the attorney general has deemed identifying unpaid compensation under subdivision 6, paragraph (b), unreasonable.

Subd. 8. **Annual report.** (a) The attorney general must publish on the attorney general's website an annual report identifying the following information for the annual period:

(1) the consumer enforcement actions resulting in payment of money to the account and the amount of money paid to the account for each consumer enforcement action;

(2) the consumer enforcement actions for which distributions were made to eligible consumers, the amount of money distributed for each consumer enforcement action, and the amount of money distributed to each eligible consumer;

(3) the consumer enforcement actions for which there are eligible consumers awaiting distribution from the account and the amount of money for which those eligible consumers are awaiting distribution for each consumer enforcement action;

(4) the consumer enforcement actions for which the attorney general has concluded account distribution;

(5) the consumer enforcement actions in which the attorney general determined that some or all eligible compensation was impractical to distribute or unreasonable to determine under subdivision 6; and

(6) the cost incurred to administer the account.

(b) The attorney general must provide the report to the chairs and ranking minority members of the legislative committees with jurisdiction over state government, commerce, and judiciary.

Subd. 9. **Account administrator.** (a) The attorney general may appoint an administrator for any of the following purposes:

(1) determining identified amounts of unpaid consumer enforcement public compensation for eligible consumers;

(2) collecting money that can be deposited, in whole or in part, to the account;

(3) distributing money to eligible consumers; or

(4) any other costs to administer the account.

(b) The attorney general may appoint more than one account administrator.

Subd. 10. **No private right of action.** A person does not have a private right of action with respect to a payment from the account or administration of the account.

Subd. 11. **Collection efforts unaffected.** The distribution of money from the account to eligible consumers does not affect the attorney general's authority to collect, satisfy, or enforce final orders against persons ordered to pay consumer enforcement public compensation to eligible consumers in the final order. To the extent the attorney general collects consumer enforcement public compensation pursuant to a final order after money has been distributed from the account to eligible consumers that are the subject of that final order, the collected consumer enforcement public compensation must be deposited in the account in an amount equal to the prior account distribution.

History: *1Sp2025 c 13 art 8 s 9*