SENATE STATE OF MINNESOTA NINETY-FOURTH SESSION

S.F. No. 475

(SENATE AUTHORS: MATHEWS, Dornink, Hoffman, Marty and Kupec)

1.1

1.16

1.17

1.18

DATE 01/21/2025 D-PG OFFICIAL STATUS Introduction and first reading Referred to Labor 01/23/2025 168 Author added Hoffman Comm report: To pass as amended and re-refer to State and Local Government 01/27/2025 170a 199 Author added Marty 01/30/2025 230 Author added Kupec

relating to employment; providing definitions; modifying whistleblower protections 12 for public employees; amending Minnesota Statutes 2024, sections 181.931, by 1.3 adding subdivisions; 181.932, subdivision 1. 1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA: 1.5 Section 1. Minnesota Statutes 2024, section 181.931, is amended by adding a subdivision 1.6 to read: 1.7 Subd. 1a. Abuse. "Abuse" means actions that may, directly or indirectly, result in 1.8 unnecessary costs to programs of a state agency or political subdivision. Abuse may involve 1.9 paying for items or services when there is no legal entitlement to that payment. 1.10 Sec. 2. Minnesota Statutes 2024, section 181.931, is amended by adding a subdivision to 1.11 read: 1.12 Subd. 3a. Fraud. "Fraud" means an intentional or deliberate act to deprive another of 1.13 property or money or to acquire property or money by deception or other unfair means. 1.14 Fraud includes intentionally submitting false information to the department for the purpose 1.15

of obtaining a greater compensation or benefit than that to which the person is legally

entitled. Fraud also includes failure to correct errors in the maintenance of records in a

timely manner after a request by a state agency or political subdivision.

A bill for an act

Sec. 2. 1

Sec. 3. Minnesota Statutes 2024, section 181.931, is amended by adding a subdivision to read:

2.3

2.4

2.5

2.6

2.7

2.8

2.9

2.10

2.11

2.12

2.13

2.14

2.15

2.16

2.17

2.18

2.19

2.20

2.21

2.22

2.23

2.24

2.25

2.26

2.27

2.28

2.29

2.30

- Subd. 7. Waste. "Waste" means practices that, directly or indirectly, result in unnecessary costs to programs of a state agency or political subdivision, such as misusing resources.
- Sec. 4. Minnesota Statutes 2024, section 181.932, subdivision 1, is amended to read:
 - Subdivision 1. **Prohibited action.** An employer shall not discharge, discipline, penalize, interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an employee regarding the employee's compensation, terms, conditions, location, or privileges of employment because:
 - (1) the employee, or a person acting on behalf of an employee, in good faith, reports a violation, suspected violation, or planned violation of any federal or state law or common law or rule adopted pursuant to law to an employer or to any governmental body or law enforcement official;
 - (2) the employee is requested by a public body or office to participate in an investigation, hearing, inquiry;
 - (3) the employee refuses an employer's order to perform an action that the employee has an objective basis in fact to believe violates any state or federal law or rule or regulation adopted pursuant to law, and the employee informs the employer that the order is being refused for that reason;
 - (4) the employee, in good faith, reports a situation in which the quality of health care services provided by a health care facility, organization, or health care provider violates a standard established by federal or state law or a professionally recognized national clinical or ethical standard and potentially places the public at risk of harm;
 - (5) a public employee communicates the findings of a scientific or technical study that the employee, in good faith, believes to be truthful and accurate, including reports to a governmental body or law enforcement official; or
 - (6) an a public employee in the classified service of state government communicates information that the <u>public</u> employee, in good faith, believes to be truthful and accurate, and that relates to <u>state public</u> services, including the financing of <u>state public</u> services, to:
 - (i) a legislator or the legislative auditor; or
- 2.31 (ii) a constitutional officer-; or

Sec. 4. 2

(7) a public employee, in good faith, reports fraud, waste, or abuse in programs of a state agency or political subdivision to the employer, any governmental body, law enforcement official, the legislative auditor, a member of the legislature, or a constitutional officer.

3.1

3.2

3.3

3.4

3.5

The disclosures protected pursuant to this section do not authorize the disclosure of data otherwise protected by law.

Sec. 4.

3