

S.F. No. 1772 – Policy related to the legislative auditor modification (as proposed to be amended by the A-1 amendment)

Author: Senator Mark W. Koran

Prepared by: Stephanie James, Senate Counsel (stephanie.james@mnsenate.gov)

Date: March 18, 2025

Section 1 [Staff; compensation; 3.971, subd. 2] requires the legislative auditor to establish a Special Reviews Division.

Section 2 [Special reviews; 3.971, subd. 8a] authorizes the legislative auditor to investigate allegations that an individual or organization subject to an Office of the Legislative Auditor (OLA) audit has not complied with a legal requirement. Under current law, the OLA is authorized to investigate allegations that an individual or organization has failed to comply with a legal requirement specifically related to the use of public money, public resources, or government data classified as not public. Authorizes the OLA to conduct a special review to follow up on a prior special review to assess what changes have occurred.

Section 3 [Obligation to notify the legislative auditor; 3.971, subd. 9] expands the list of officers who are required to notify the legislative auditor when the officer obtains information indicating that public money or other public resources may have been used for an unlawful purpose. Under current law, the chief executive, financial, and information officers are subject to this obligation to report. This section adds the following positions to the list of officers who are obligated to report: deputy and assistant chief executive officers, chief administration officers, chief investigative officers, heads of divisions, bureaus, departments, institutes, or other organizational units, and board chairs, where applicable.

Section 6, renumbered by the A-1 as Section 4 [Reporting alleged misuse of public resources or data; 15.0573] requires the commissioner or chief executive officer of each department, board, commission, office, or other agency, to ensure that employee and nonemployee concerns about the misuse of public money, other public resources, or government data is promptly directed to an officer who is obligated to report the information to an obligated officer or the legislative auditor. The commissioner of management and

budget must develop a policy for the process by which concerns are raised to an obligated officer or the legislative auditor.

Section 7, renumbered by the A-1 as Section 5 [Repealer; 16B.45] repeals certain responsibilities of the legislative auditor relating to systems analysis, information services, and computerization efforts of agencies, the University of Minnesota, and metropolitan board, agencies, and commissions.