



S.F. No. 447 – Consumer Protection Restitution Account (2nd Engrossment)

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S.F. 447 establishes the consumer protection restitution account.

Section 1 directs the court or attorney general to deposit money recovered from an action brought by the attorney general's office that cannot be distributed to victims because the victims cannot be located or identified into the consumer protection restitution account.

Section 2 establishes the consumer protection restitution account in the special revenue fund.

Several terms are defined including:

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.

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.

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.

This section directs 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 a consumer enforcement public compensation to be deposited into the consumer protection restitution account. The other 50 percent must be deposited into the general fund.

Money from the consumer protection restitution account may be distributed to any eligible consumer with an identified amount of unpaid consumer enforcement public compensation. The money must be distributed chronologically, starting with eligible consumers with a final order of the oldest date.

The attorney general may deem distribution to an eligible consumer to be impractical if the distribution is too small to justify the cost to locate the consumer or the consumer does not redeem the payment in a reasonable time.

The attorney general may deem an attempt to determine an identified amount of unpaid consumer enforcement public compensation for consumers to be unreasonable if the number of eligible consumers is too small to justify the cost to determine an identified amount of unpaid consumer enforcement public compensation or the information needed to identify an amount of unpaid consumer enforcement public compensation is unavailable or too costly to obtain.

The attorney general must publish a report on the attorney general website identifying where money has come from, which actions resulted in money being distributed to consumers, the actions that consumers are waiting to receive distributions for, the actions that the attorney general has concluded making distributions for, the actions that the attorney general determined were impractical or unreasonable to make distributions to, and the costs incurred to administer the account.

Section 3 makes a technical correction to remove a provision that was previously repealed. This section also states that section 16A.151, which provides that money recovered by the state in litigation or in settlement must be deposited into the general fund, does not apply to the consumer protection restitution account.

Section 4 states that the amount of consumer enforcement public compensation received by a consumer is a subtraction for income tax purposes.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2025.

Section 5 adds a definition for "combined exemption amount" and removes the language from the definition of "income."

This section states that for the purposes of calculating renters' credit, income does not include the amount of consumer enforcement public compensation subtracted under section 290.0132, subdivision 36.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2025.

Section 6 states that payments from the consumer protection restitution account are not considered "income" for the purposes of calculating property taxes.

EFFECTIVE DATE. This section is effective for claims based on property taxes payable in 2026 and following years.



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