

This Document can be made available in alternative formats upon request

State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 3472

02/18/2020 Authored by Fischer, Wazlawik, Becker-Finn and Lee
The bill was read for the first time and referred to the Committee on Environment and Natural Resources Policy

1.1 A bill for an act
1.2 relating to environment; providing financial incentive for information resulting in
1.3 civil or criminal financial penalties for environmental violations; amending
1.4 Minnesota Statutes 2018, section 115.071, by adding a subdivision; Minnesota
1.5 Statutes 2019 Supplement, section 16A.151, subdivision 2.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2019 Supplement, section 16A.151, subdivision 2, is
1.8 amended to read:

1.9 Subd. 2. Exceptions. (a) If a state official litigates or settles a matter on behalf of specific
1.10 injured persons or entities, this section does not prohibit distribution of money to the specific
1.11 injured persons or entities on whose behalf the litigation or settlement efforts were initiated.
1.12 If money recovered on behalf of injured persons or entities cannot reasonably be distributed
1.13 to those persons or entities because they cannot readily be located or identified or because
1.14 the cost of distributing the money would outweigh the benefit to the persons or entities, the
1.15 money must be paid into the general fund.

1.16 (b) Money recovered on behalf of a fund in the state treasury other than the general fund
1.17 may be deposited in that fund.

1.18 (c) This section does not prohibit a state official from distributing money to a person or
1.19 entity other than the state in litigation or potential litigation in which the state is a defendant
1.20 or potential defendant.

1.21 (d) State agencies may accept funds as directed by a federal court for any restitution or
1.22 monetary penalty under United States Code, title 18, section 3663(a)(3) or United States
1.23 Code, title 18, section 3663A(a)(3). Funds received must be deposited in a special revenue

2.1 account and are appropriated to the commissioner of the agency for the purpose as directed
2.2 by the federal court.

2.3 (e) Tobacco settlement revenues as defined in section 16A.98, subdivision 1, paragraph
2.4 (t), may be deposited as provided in section 16A.98, subdivision 12.

2.5 (f) Any money received by the state resulting from a settlement agreement or an assurance
2.6 of discontinuance entered into by the attorney general of the state, or a court order in litigation
2.7 brought by the attorney general of the state, on behalf of the state or a state agency, against
2.8 one or more opioid manufacturers or opioid wholesale drug distributors related to alleged
2.9 violations of consumer fraud laws in the marketing, sale, or distribution of opioids in this
2.10 state or other alleged illegal actions that contributed to the excessive use of opioids, must
2.11 be deposited in a separate account in the state treasury and the commissioner shall notify
2.12 the chairs and ranking minority members of the Finance Committee in the senate and the
2.13 Ways and Means Committee in the house of representatives that an account has been created.
2.14 This paragraph does not apply to attorney fees and costs awarded to the state or the Attorney
2.15 General's Office, to contract attorneys hired by the state or Attorney General's Office, or to
2.16 other state agency attorneys. If the licensing fees under section 151.065, subdivision 1,
2.17 clause (16), and subdivision 3, clause (14), are reduced and the registration fee under section
2.18 151.066, subdivision 3, is repealed in accordance with section 256.043, subdivision 4, then
2.19 the commissioner shall transfer from the separate account created in this paragraph to the
2.20 opiate epidemic response account under section 256.043 an amount that ensures that
2.21 \$20,940,000 each fiscal year is available for distribution in accordance with section 256.043,
2.22 subdivisions 2 and 3.

2.23 (g) This section does not apply to an award made to a person under section 115.071,
2.24 subdivision 3a.

2.25 Sec. 2. Minnesota Statutes 2018, section 115.071, is amended by adding a subdivision to
2.26 read:

2.27 Subd. 3a. **Whistleblower compensation.** (a) A person who provides information to the
2.28 agency that is instrumental in revealing a violation of a facility permit or any environmental
2.29 statute, standard, or rule must be awarded one percent of any civil or criminal financial
2.30 penalty imposed on or agreed to by the facility as a result of an enforcement action taken
2.31 by the agency. In calculating the amount of the award, the commissioner must exclude the
2.32 value of any attorney fees awarded to the agency or the value of any supplemental
2.33 environmental projects that the facility agrees to conduct.

3.1 (b) In determining whether an award under this subdivision is warranted, the
3.2 commissioner must consider the extent to which:

3.3 (1) the information provided by the person would otherwise have been unavailable to
3.4 the agency; or

3.5 (2) the violation was unlikely to be discovered by the agency, absent the person providing
3.6 the information, for a significant period of time.

3.7 (c) If more than one person provides information to the agency with respect to the same
3.8 violation by the same permitted facility, an award under this subdivision must be divided
3.9 among those persons according to the relative importance of the information provided in
3.10 helping to support the enforcement action, as determined by the commissioner.

3.11 (d) The identity of a person providing information to the agency under this subdivision
3.12 is private data on individuals, as provided in section 181.932, subdivision 2, and the person
3.13 is protected from retaliation by an employer for providing the information according to
3.14 section 181.932, subdivision 1.

3.15 **EFFECTIVE DATE.** This section is effective the day following final enactment and
3.16 applies to any civil or criminal financial penalty imposed on or agreed to by a facility on
3.17 or after that date.