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State of Minnesota

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HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **3478**

February 25, 2008

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The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice

March 6, 2008

Committee Recommendation and Adoption of Report:

To Pass as Amended

Read Second Time

1.1 A bill for an act
1.2 relating to judicial process; modifying certain civil and criminal penalties;
1.3 amending Minnesota Statutes 2006, section 363A.29, subdivision 4; Minnesota
1.4 Statutes 2007 Supplement, section 609.822, subdivision 3.

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

1.6 Section 1. Minnesota Statutes 2006, section 363A.29, subdivision 4, is amended to
1.7 read:

1.8 Subd. 4. **Civil penalty; punitive damages.** (a) The administrative law judge shall
1.9 order any respondent found to be in violation of any provision of sections 363A.08 to
1.10 363A.19 and 363A.28, subdivision 10, to pay a civil penalty to the state. This penalty is
1.11 in addition to compensatory and punitive damages to be paid to an aggrieved party. The
1.12 administrative law judge shall determine the amount of the civil penalty to be paid, taking
1.13 into account the seriousness and extent of the violation, the public harm occasioned by
1.14 the violation, whether the violation was intentional, and the financial resources of the
1.15 respondent. Any penalties imposed under this provision shall be paid into the general fund
1.16 of the state. In all cases where the administrative law judge finds that the respondent has
1.17 engaged in an unfair discriminatory practice, the administrative law judge shall order the
1.18 respondent to pay an aggrieved party, who has suffered discrimination, compensatory
1.19 damages in an amount up to three times the actual damages sustained. In all cases, the
1.20 administrative law judge may also order the respondent to pay an aggrieved party, who
1.21 has suffered discrimination, damages for mental anguish or suffering and reasonable
1.22 attorney's fees, in addition to punitive damages in an amount not more than ~~\$8,500~~
1.23 \$25,000. Punitive damages shall be awarded pursuant to section 549.20.

2.1 (b) In any case where a political subdivision is a respondent, the total of punitive
2.2 damages awarded an aggrieved party may not exceed \$8,500 and in that case if there are
2.3 two or more respondents the punitive damages may be apportioned among them. Punitive
2.4 damages may only be assessed against a political subdivision in its capacity as a corporate
2.5 entity and no regular or ex officio member of a governing body of a political subdivision
2.6 shall be personally liable for payment of punitive damages pursuant to subdivisions 3 to 6.

2.7 Sec. 2. Minnesota Statutes 2007 Supplement, section 609.822, subdivision 3, is
2.8 amended to read:

2.9 Subd. 3. **Sentence.** Whoever violates this section shall be sentenced as provided
2.10 in section 609.52, subdivision 3, based on the aggregate economic loss suffered by any
2.11 person as a result of the violation. However, the maximum sentence of imprisonment for
2.12 the offense may not exceed two years. A person convicted of a violation of this section
2.13 shall be ordered to pay restitution to persons aggrieved by the violation. Restitution shall
2.14 be ordered in addition to a fine or imprisonment but not in lieu of a fine or imprisonment.
2.15 Nothing in this section limits the power of the state to punish any person for conduct
2.16 which constitutes a crime under any other statute.