

1.1 A bill for an act
1.2 relating to state government; creating an office of inspector general; appropriating
1.3 money; proposing coding for new law as Minnesota Statutes, chapter 15D.

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

1.5 Section 1. **[15D.01] OFFICE OF THE INSPECTOR GENERAL.**

1.6 (a) The Office of the Inspector General serves as an independent entity responsible for
1.7 ensuring accountability, transparency, and integrity in the operations of state agencies and
1.8 programs.

1.9 (b) The Office of the Inspector General shall operate independently of all state executive
1.10 branch agencies and report directly to the Inspector General Advisory Council established
1.11 in this chapter. The office shall not be subject to direction or interference from any executive,
1.12 legislative, or judicial authority, other than the Inspector General Advisory Council.

1.13 Sec. 2. **[15D.02] DEFINITIONS.**

1.14 For the purposes of this chapter, the following terms have the meaning given:

1.15 (1) "abuse" means the misuse of authority or position for personal gain or to cause harm
1.16 to others, including the improper use of state resources or programs contrary to their intended
1.17 purpose;

1.18 (2) "agency program" means a program funded or administered by a state agency,
1.19 including grants and contracts;

1.20 (3) "fraud" means intentional acts of deception to gain an unlawful benefit;

2.1 (4) "investigation" means an audit, review, or inquiry conducted by the inspector general
2.2 to detect or prevent fraud, waste, or abuse; and

2.3 (5) "waste" means the negligent or careless expenditure, mismanagement, or squandering
2.4 of resources that result in unnecessary costs. Waste may also include inefficient practices
2.5 that could be avoided through reasonable efforts.

2.6 **Sec. 3. [15D.03] INSPECTOR GENERAL.**

2.7 Subdivision 1. **Minimum qualifications.** (a) To be eligible to be appointed as inspector
2.8 general, a candidate must:

2.9 (1) have a bachelor's degree in criminal justice, public administration, law, or a related
2.10 field;

2.11 (2) have at least ten years of professional experience in auditing, investigations, law
2.12 enforcement, or a related area;

2.13 (3) hold a professional certificate from the Association of Inspectors General, including
2.14 Certified Inspector General or Certified Inspector General Investigator; and

2.15 (4) demonstrate a commitment to safeguarding the mission of public service and must
2.16 provide a public disclosure of prior professional opinions, positions, or actions that may
2.17 influence their approach to the role.

2.18 (b) Current or former commissioners, agency heads, or deputy agency heads are not
2.19 eligible to serve as inspector general within five years of their service in those roles.

2.20 Subd. 2. **Appointment.** The Inspector General Advisory Council will select the inspector
2.21 general after a competitive process from among eligible applicants for the position of
2.22 inspector general. The council must assess eligible candidates based on qualifications,
2.23 including experience in auditing, financial analysis, public administration, law enforcement,
2.24 or related fields.

2.25 Subd. 3. **Term.** The inspector general serves a five-year term and may be appointed to
2.26 two terms. The inspector general may only be removed for cause by the vote of at least 60
2.27 percent of the members of the advisory council.

2.28 **Sec. 4. [15D.04] POWERS AND DUTIES.**

2.29 The inspector general is authorized and responsible to:

2.30 (1) conduct audits, inspections, evaluations, and investigations of state executive branch
2.31 agencies and programs, according to professional auditing standards, to identify fraud,

- 3.1 waste, abuse, and inefficiencies, and to make recommendations for changes to programs
3.2 for improving effectiveness, efficiency, and for protection of the integrity of the use of state
3.3 funds;
- 3.4 (2) issue subpoenas to compel the production of documents or testimony relevant to
3.5 investigations;
- 3.6 (3) refer matters for civil, criminal, or administrative action to the appropriate authorities;
- 3.7 (4) recommend legislative or policy changes to improve program efficiency and
3.8 effectiveness;
- 3.9 (5) publish reports on completion of an audit or investigation summarizing findings,
3.10 recommendations, and outcomes of the inspector general's activities;
- 3.11 (6) establish a specialized division within the Office of the Inspector General to
3.12 investigate fraud, waste, and abuse involving state law enforcement and public safety
3.13 programs. This division shall ensure that investigations are independent and distinct from
3.14 the roles of the attorney general or Department of Public Safety;
- 3.15 (7) investigate any public or private entity that receives taxpayer funds to ensure
3.16 compliance with applicable laws, proper use of funds, and adherence to program
3.17 requirements;
- 3.18 (8) conduct pre-appointment reviews for all senior agency officials to identify potential
3.19 conflicts of interest, ensuring their suitability for positions of public trust; and
- 3.20 (9) submit an annual report summarizing the work of the office to the Inspector General
3.21 Advisory Council and make the report publicly available by posting the report on the
3.22 inspector general's website.

3.23 **Sec. 5. [15D.05] RESOURCES; APPROPRIATION.**

3.24 Subdivision 1. **Staff.** The inspector general may hire and manage staff, including certified
3.25 public accountants, legal experts, and investigators, as necessary. The inspector general
3.26 must employ at least two licensed peace officers to serve as investigators and to assist with
3.27 investigations requiring specialized law enforcement knowledge.

3.28 Subd. 2. **Contracting.** The inspector general may contract with external experts to
3.29 support the work of the office.

3.30 Subd. 3. **Appropriation.** \$..... is appropriated each year from the general fund for the
3.31 operations of the Office of the Inspector General.

4.1 Sec. 6. [15D.06] REPORTING AND TRANSPARENCY.

4.2 Subdivision 1. Reports. The inspector general must issue public reports detailing
4.3 completed audits, investigations, and corrective actions taken.

4.4 Subd. 2. Confidential information. In public reports, the inspector general must redact
4.5 sensitive or confidential information to comply with privacy laws and protect whistleblowers.

4.6 Subd. 3. Public tips. The inspector general must maintain a phone line and website for
4.7 reporting fraud, waste, and abuse, that allows the person making the report to remain
4.8 anonymous.

4.9 Sec. 7. [15D.07] PROFESSIONAL STANDARDS AND REVIEW.

4.10 The inspector general's activities must adhere to professional standards as promulgated
4.11 by the Association of Inspectors General or other recognized bodies.

4.12 Sec. 8. [15D.08] INSPECTOR GENERAL ADVISORY COUNCIL.

4.13 Subdivision 1. Membership. To ensure impartiality and independence, the inspector
4.14 general shall be appointed and supervised by the Inspector General Advisory Council
4.15 comprised of:

4.16 (1) two public members appointed by the majority leader of the senate;

4.17 (2) two public members appointed by the minority leader in the senate;

4.18 (3) two public members appointed by the speaker of the house of representatives;

4.19 (4) two public members appointed by the minority leader in the house of representatives;

4.20 (5) two public members appointed by the legislative auditor; and

4.21 (6) one representative from the Bureau of Criminal Apprehension, appointed by the
4.22 superintendent of the Bureau of Criminal Apprehension.

4.23 Subd. 2. Qualifications for membership. (a) To be eligible for appointment to the
4.24 Inspector General Advisory Council, a candidate must:

4.25 (1) not be a currently registered lobbyist and must not have been a registered lobbyist
4.26 in the five years prior to appointment; and

4.27 (2) have practical experience, expertise, or demonstrated knowledge in auditing, financial
4.28 analysis, public administration, law enforcement, or related fields.

5.1 (b) Appointing authorities may prioritize candidates for appointment to the Inspector
5.2 General Advisory Council who are members of the Minnesota State Bar Criminal Law
5.3 section or who have served in the Office of Public Corruption for the Federal Bureau of
5.4 Investigation.

5.5 Subd. 3. **Terms.** Members serve at the pleasure of their appointing authorities and each
5.6 member serves until a replacement is appointed.

5.7 Subd. 4. **Per diem; expense reimbursement.** Members may be compensated for time
5.8 spent on council duties and may be reimbursed for expenses according to section 15.059,
5.9 subdivision 3.

5.10 Subd. 5. **Meeting space; staff.** The Legislative Coordinating Commission must provide
5.11 meeting space and staff to assist the council in performing its duties.

5.12 Subd. 6. **Contracting for external review.** The council must contract for an external
5.13 quality assurance review of the Office of the Inspector General every three years, and must
5.14 make findings from the review public.

5.15 Sec. 9. **OFFICE OF THE INSPECTOR GENERAL ESTABLISHMENT AND**
5.16 **TRANSITION.**

5.17 Subdivision 1. **Appointment.** By January 1, 2026, the Inspector General Advisory
5.18 Council must appoint an inspector general under Minnesota Statutes, section 15D.03.

5.19 Subd. 2. **Operational.** By September 1, 2026, the Office of Inspector General must be
5.20 fully operational.

5.21 Subd. 3. **Transition of employees.** All officers and employees employed in an office
5.22 of inspector general for a state agency shall transition to employment under the Office of
5.23 the Inspector General under Minnesota Statutes, chapter 15D, before September 1, 2026.

5.24 Subd. 4. **Assets.** Assets and unused appropriations for existing offices of inspectors
5.25 general shall be transferred to the Office of the Inspector General under Minnesota Statutes,
5.26 chapter 15D, before September 1, 2026.

5.27 Subd. 5. **Office space.** The commissioner of administration must provide office space
5.28 on the Capitol Mall complex for the Office of the Inspector General under Minnesota
5.29 Statutes, chapter 15D, under a rental agreement.

6.1 Sec. 10. **INSPECTOR GENERAL ADVISORY COUNCIL; INITIAL**
6.2 **APPOINTMENTS AND FIRST MEETING.**

6.3 Subdivision 1. **Initial appointments.** Appointing authorities must make appointments
6.4 to the Inspector General Advisory Council by August 1, 2025.

6.5 Subd. 2. **First meeting.** The member appointed by the representative from the Bureau
6.6 of Criminal Apprehension must convene the first meeting of the Inspector General Advisory
6.7 Council by September 15, 2025.

6.8 Sec. 11. **EFFECTIVE DATE.**

6.9 Sections 1 to 9 are effective January 1, 2026, except that section 8 is effective the day
6.10 after enactment and the Inspector General Advisory Council must make an appointment of
6.11 an inspector general by January 1, 2026.