

Subject Reimbursement of county costs to defend lawsuit by state auditor

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Overview

This bill requires the commissioner of management and budget to reimburse Wright, Becker, and Ramsey counties for demonstrated legal fees, including costs and disbursements incurred, by each county to defend against a lawsuit filed by the state auditor. An appropriation necessary to make each payment is provided from the general fund in fiscal year 2020.

In 2016, the state auditor filed a lawsuit against those counties over the constitutionality of a law enacted in 2015 that authorizes all counties in the state to elect to have their required audits conducted by a CPA firm, rather than the state auditor. The state auditor argued that doing so eliminated a core function of the office, and that the law providing that change violated the single-subject requirement of the state constitution.

In 2018, the Minnesota Supreme Court rejected those claims and upheld the constitutionality of the law. The law remains in effect today.

Wright, Becker, and Ramsey counties were among those choosing to employ a CPA firm to conduct their audits after the law was enacted and, as a result, were named as defendants in the suit. Costs associated with litigating the case were borne by those named counties.