

## OUR INSIGHTS

### In Minnesota, the Clock's Not Ticking During Dispute Resolution

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A claim of an unfair discriminatory practice under the Minnesota Human Rights Act must be brought as a civil action or as a charge filed with a local commission or the Minnesota Department of Human Rights within one year after the occurrence of the discriminatory practice. However, the statute of limitations is suspended during the time a potential charging party and respondent are voluntarily engaged in a “dispute resolution process.”

Would participation in an employer's voluntary human resources “Respect in the Workplace” process toll the statute of limitations? According to the Minnesota Court of Appeals' recent decision in *Peterson v. City of Minneapolis*, the answer is “yes.”

#### Factual Background

Scott Peterson, a Minneapolis police officer, filed a complaint of age discrimination with the city's department of human resources alleging that the police department transferred him and others because of their age, thereby violating the city's “Respect in the Workplace Policy.” More than a year later, the human resources department completed its investigation and concluded that Peterson's age was not the reason motivating his transfer. Peterson eventually filed suit against the city in March of 2014 under the Minnesota Human Rights Act. The city moved for partial summary judgment, which was granted by the district court on the ground that the charge was not timely filed within the state statute's one-year statute of limitations.

#### The Court's Decision

The key issue on appeal was whether the term “dispute resolution process” included an informal, internal process that might be utilized by an employer without the involvement of a third-party intermediary. Most of the other dispute resolution processes listed in the statute involve third-party intermediaries', such as government agencies, arbitrators, labor unions, and mediators. The court of appeals held that “the statutory list of ‘arbitration, conciliation, mediation or grievance procedures’ represents some but not necessarily all of the dispute resolution procedures that toll the statute of limitations.” Therefore, the city's “unlisted respect-in-the-workplace complaint process,” in which the parties voluntarily engaged, serves to toll the statute of limitations.

#### Key Takeaways

The court's holding is not limited to public sector employers. Many employers in the private sector encourage employees to come forward with complaints of discrimination in the workplace and have put in place procedures for the investigation, conciliation, and resolution of such complaints. In light of this decision by the Minnesota Court of Appeals, Minnesota employers should be mindful that the clock is not necessarily running on an employee's statutory state law claim of discrimination while the parties are engaged in a voluntary dispute resolution process, even if it is an informal process such as the Minneapolis Respect in the Workplace complaint process.

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