

Sec. 2. This act takes effect on July 1, 1971.

Approved May 19, 1971.

CHAPTER 398—H.F.No.2078

[Coded in Part]

An act relating to motor vehicle retail installment sales; providing penalties for violations and providing for powers of the commissioner of banks as administrator; amending Minnesota Statutes 1969, Section 168.75, and Chapter 168, by adding sections.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1969, Chapter 168, is amended by adding a section to read:

[168.705] MOTOR VEHICLE INSTALLMENT SALES; REGULATION; EXAMINATIONS. For the purpose of discovering violations of sections 168.66 to 168.77 or securing information lawfully required by him hereunder, the administrator may, at any time, either personally or by a person or persons duly designated by him, investigate the conditional sales contracts and business related to the conditional sales contracts and examine the books, accounts, records, and files used therein, of every licensee and of every person who shall be engaged in the business of a sales finance company, whether the person shall act as principal or agent, or under or without the authority of sections 168.66 to 168.77. For that purpose, the administrator and his duly designated representative shall have free access to the offices and places of business, books, accounts, papers, records, files, safes, and vaults of all such persons. The administrator and all persons duly designated by him shall have authority to require the attendance of and to examine, under oath, all persons whomsoever whose testimony he may require relative to the conditional sales contract or the business or to the subject matter of any examination, investigation, or hearing.

The administrator shall make such an examination of the affairs, business, office, and records of each licensee at least once each year. Each licensee shall pay to the administrator such amount as may be required under Minnesota Statutes, Section 46.131, and the administrator may maintain an action for the recovery of such costs in any court of competent jurisdiction.

Changes or additions indicated by underline, deletions by ~~strikeout~~.

Sec. 2. Minnesota Statutes 1969, Section 168.75, is amended to read:

168.75 VIOLATIONS. (a) Any person engaged in the business of a sales finance company in this state without a license therefor as provided in sections 168.66 to 168.77 shall be guilty of a gross misdemeanor and punished by a fine not exceeding \$500, or by imprisonment for a period not to exceed one year, or by both such fine and imprisonment in the discretion of the court.

(b) In case of an intentional failure to comply with any provision of sections 168.66 to 168.77, the buyer shall have a right to recover from the person committing such violation, to set off or counterclaim in any action by such person to enforce such contract an amount as liquidated damages, the whole of the contract due and payable, plus reasonable attorneys' fees.

(c) In case of a failure to comply with any provision of sections 168.66 to 168.77, other than ~~a willful~~ an intentional failure, the buyer shall have a right to recover from the person committing such violation, to set off or counterclaim in any action by such person to enforce such contract an amount as liquidated damages equal to ~~two~~ three times the amount of any time price differential charged in excess of the amount authorized by sections 168.66 to 168.77 or \$50, whichever is greater, plus reasonable attorneys' fees.

Sec. 3. Minnesota Statutes 1969, Chapter 168, is amended by adding a section to read:

[168.706] BOOKS OF ACCOUNT; ANNUAL REPORT. The licensee shall keep and use in his business such books, accounts, and records as will enable the administrator to determine whether the licensee is complying with the provisions of sections 168.66 to 168.77 and with the rules and regulations lawfully made by the administrator hereunder. Every licensee shall preserve such books, accounts, and records, including cards used in the card system, if any, for at least two years after making the final entry on any conditional sale contract recorded therein.

Each licensee shall annually on or before March 15 file a report to the administrator giving such relevant information as the administrator reasonably may require concerning the business and operations during the preceding calendar year of each licensed place of business, conducted by such licensee within the state. Such report shall be made under oath and shall be in the form prescribed by the administrator, who shall make and publish annually an analysis and recapitulation of such reports.

Approved May 19, 1971.

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