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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 2236

03/12/2025 Authored by O'Driscoll and Lillie
The bill was read for the first time and referred to the Committee on Commerce Finance and Policy

1.1 A bill for an act
1.2 relating to commerce; removing obsolete language; amending Minnesota Statutes
1.3 2024, section 53C.08, subdivision 1.

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

1.5 Section 1. Minnesota Statutes 2024, section 53C.08, subdivision 1, is amended to read:

1.6 Subdivision 1. Terms and limitations. (a) Every retail installment contract shall be in
1.7 writing, shall contain all the agreements of the parties, shall be signed by the retail buyer
1.8 and seller, and a copy signed by the retail buyer shall be furnished to such retail buyer at
1.9 the time the retail buyer executes the contract. The copy signed by both the retail buyer and
1.10 retail seller shall be provided to the retail buyer within seven days after delivery of the
1.11 vehicle. With respect to any contract executed prior to August 1, 1996, which has not been
1.12 paid in full by the retail buyer, the retail seller shall provide such retail buyer a copy signed
1.13 by both the retail buyer and retail seller within 120 days after August 1, 1996.

1.14 (b) No provisions for confession of judgment or power of attorney therefor contained
1.15 in any retail installment contract or contained in a separate agreement relating thereto, shall
1.16 be valid or enforceable.

1.17 (c) The holder of a precomputed retail installment contract may, if the contract so
1.18 provides, collect a delinquency and collection charge on each installment in arrears for a
1.19 period not less than ten days in an amount not in excess of five percent of each installment
1.20 or \$5, whichever is greater. In addition to such delinquency and collection charge, the retail
1.21 installment contract, whether interest-bearing or precomputed, may provide for the payment
1.22 of attorneys' fees not exceeding 15 percent of the amount due and payable under such

2.1 contract where such contract is referred to an attorney not a salaried employee of the holder
2.2 of the contract for collection plus the court costs.

2.3 (d) Unless written notice has been given to the retail buyer of actual or intended
2.4 assignment of a retail installment contract, payment thereunder or tender thereof made by
2.5 the retail buyer to the last known holder of such contract shall be binding upon all subsequent
2.6 holders or assignees.

2.7 (e) Upon written request from the retail buyer, the holder of the retail installment contract
2.8 shall give or forward to the retail buyer a written statement of the dates and amounts of
2.9 payments and the total amount unpaid under such contract. A retail buyer shall be given a
2.10 written receipt for any payment when made in cash.