

## HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 2406

02/27/2014 Authored by Hilstrom

The bill was read for the first time and referred to the Committee on Commerce and Consumer Protection Finance and Policy

03/21/2014 Adoption of Report: Placed on the General Register

Read Second Time

A bill for an act

relating to debt collection; regulating debt buyers; amending Minnesota Statutes  
2012, section 332.31, subdivisions 3, 6.

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

Section 1. Minnesota Statutes 2012, section 332.31, subdivision 3, is amended to read:

Subd. 3. **Collection agency.** "Collection agency" means and includes any person engaged in the business of collection for others any account, bill or other indebtedness except as hereinafter provided. It includes persons who furnish collection systems carrying a name which simulates the name of a collection agency and who supply forms or form letters to be used by the creditor, even though such forms direct the debtor to make payments directly to the creditor rather than to such fictitious agency. The term also includes a person who (1) purchases an account, bill, or other indebtedness that was incurred by the debtor for personal, family, or household purposes, and (2) collects the purchased account, bill, or other indebtedness on its own behalf.

Sec. 2. Minnesota Statutes 2012, section 332.31, subdivision 6, is amended to read:

Subd. 6. **Collector.** "Collector" is a person acting under the authority of a collection agency under subdivision 3, and on its behalf in the business of collection for others an account, bill, or other indebtedness except as otherwise provided in this chapter. The term includes a person acting under the authority of a collection agency under subdivision 3 that (1) purchases any account, bill, or other indebtedness that was incurred by the debtor for personal, family, or household purposes, and (2) collects the purchased account, bill, or other indebtedness on its own behalf.