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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 1646

02/27/2025 Authored by Reyer, Keeler, Cha, Berg, Xiong and others
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; modifying the definition of debt buyer; appropriating money
1.3 for a grant to Undue Medical Debt; requiring reports; amending Minnesota Statutes
1.4 2024, section 332.31, subdivision 8.

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

1.6 Section 1. Minnesota Statutes 2024, section 332.31, subdivision 8, is amended to read:

1.7 Subd. 8. Debt buyer. "Debt buyer" means a business engaged in the purchase of any
1.8 charged-off account, bill, or other indebtedness for collection purposes, whether the business
1.9 collects the account, bill, or other indebtedness, hires a third party for collection, or hires
1.10 an attorney for litigation related to the collection. Debt buyer does not include a nonprofit
1.11 organization purchasing a charged-off account, bill, or other indebtedness for charitable
1.12 purposes.

1.13 Sec. 2. APPROPRIATION; MEDICAL DEBT RELIEF; REPORT.

1.14 Subdivision 1. Appropriation. \$5,000,000 in fiscal year 2026 is appropriated from the
1.15 general fund to the commissioner of commerce for a grant to Undue Medical Debt to relieve
1.16 the medical debt of eligible residents who were unable to pay medical bills after reasonable
1.17 collections efforts undertaken by hospital providers were completed. This is a onetime
1.18 appropriation and is available until June 30, 2028.

1.19 Subd. 2. Report. Undue Medical Debt must share information with the commissioner
1.20 of commerce and the attorney general regarding the number and characteristics of the
1.21 residents who have had medical debts relieved under this appropriation.

1.22 EFFECTIVE DATE. This section is effective the day following final enactment.