

CHAPTER 388—S.F.No. 3291

VETOED

CHAPTER 389—S.F.No. 619

An act relating to commerce; regulating collection agencies; exempting out-of-state agencies from licensure under certain conditions; amending Minnesota Statutes 1998, section 332.31, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 332.

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

Section 1. Minnesota Statutes 1998, section 332.31, is amended by adding a subdivision to read:

Subd. 7. **EXEMPT OUT-OF-STATE COLLECTION AGENCY.** “Exempt out-of-state collection agency” means a collection agency that has no physical presence in this state, that is engaged in the business of collecting claims on behalf of creditors that have no physical presence in this state, and that only conducts business within this state by means of interstate communications including telephone, mail, and facsimile transmission.

Sec. 2. **[332.335] EXEMPTION FROM LICENSURE.**

Subdivision 1. EXEMPTION FROM LICENSURE. An exempt out-of-state collection agency, as defined by section 332.31, subdivision 7, that has obtained a certificate of exemption under subdivision 2 is exempt from the collector and collection agency licensing requirements of this chapter, but is subject to all other provisions of sections 45.027 and 332.31 to 332.45.

Subd. 2. CERTIFICATE OF EXEMPTION. To qualify as an exempt out-of-state collection agency, a person, except for those excluded from the definition of collection agency under section 332.32, must, before initiating collection activity, obtain a certificate of exemption from the commissioner. A certificate of exemption must be issued upon the applicant’s filing an application on a form approved by the commissioner if the applicant is found to be qualified under this chapter. The form must include:

(1) a signed statement that the exempt out-of-state collection agency holds a valid license to do business as a collection agency in another state whose requirements for

New language is indicated by underline, deletions by ~~strikeout~~.