CHAPTER 27--H.F.No. 1770

An act relating to courts; providing for conciliation court jurisdiction to determine claims by a county against a nonresident;amending Minnesota Statutes 2014, section 491A.01, subdivision 3a, by adding a subdivision.

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

Section 1. Minnesota Statutes 2014, section 491A.01, subdivision 3a, is amended to read:

Subd. 3a. **Jurisdiction; general.** (a) Except as provided in subdivisions 4 and 5, the conciliation court has jurisdiction to hear, conciliate, try, and determine civil claims if the amount of money or property that is the subject matter of the claim does not exceed: (1) $15,000; or (2) $4,000, if the claim involves a consumer credit transaction.

(b) "Consumer credit transaction" means a sale of personal property, or a loan arranged to facilitate the purchase of personal property, in which:

(1) credit is granted by a seller or a lender who regularly engages as a seller or lender in credit transactions of the same kind;

(2) the buyer is a natural person;

(3) the claimant is the seller or lender in the transaction; and

(4) the personal property is purchased primarily for a personal, family, or household purpose and not for a commercial, agricultural, or business purpose.

(c) Except as otherwise provided in this subdivision and subdivisions 5 to ~~10~~ 11, the territorial jurisdiction of conciliation court is coextensive with the county in which the court is established. The summons in a conciliation court action under subdivisions 6 to 10 may be served anywhere in the state, and the summons in a conciliation court action under subdivision 7, paragraph (b), may be served outside the state in the manner provided by law. The court administrator shall serve the summons in a conciliation court action by first class mail, except that if the amount of money or property that is the subject of the claim exceeds $2,500, the summons must be served by the plaintiff by certified mail, and service on nonresident defendants must be made in accordance with applicable law or rule. Subpoenas to secure the attendance of nonparty witnesses and the production of documents at trial may be served anywhere within the state in the manner provided by law.

When a court administrator is required to summon the defendant by certified mail under this paragraph, the summons may be made by personal service in the manner provided in the Rules of Civil Procedure for personal service of a summons of the district court as an alternative to service by certified mail.

Sec. 2. Minnesota Statutes 2014, section 491A.01, is amended by adding a subdivision to read:

Subd. 11. **Jurisdiction; county claim against nonresident.** The conciliation court has jurisdiction to determine a civil action commenced by the county in which it is established to recover debts owed to the

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county for fees, services, overpayments, or similar obligations, even though the defendant is not a resident of the county provided that notice of the overdue debt:

(1) has previously been sent by first class mail to the non-resident defendant at the defendant's last known address; and

(2) states that the county may commence a conciliation court action in the county where the debt owed was incurred.

For the purposes of this section, "overpayments" does not include any overpayments that are governed by the procedures set forth under chapter 256.

Presented to the governor May 11, 2015

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