56.17 LIMITATION; ASSIGNMENT OF WAGES; SECURITY AGREEMENT.

No assignment of, or order for payment of, any salary, wages, commissions, or other compensation for services earned or to be earned, given to secure any loan made by any licensee under this chapter, shall be valid unless the principal amount of the loan is paid to the borrower simultaneously with its execution; nor shall any assignment or order, or any security agreement or other lien on household furniture then in the possession and use of the borrower, be valid unless it is in writing, signed in person by the borrower. If the borrower is married, an assignment, order, security agreement, or other lien is not valid without the spouse's written consent, if the spouse's consent would be necessary under applicable law to make the property offered as security available to satisfy the debt in the event of default.

Under any assignment or order for the payment of future salary, wages, commissions, or other compensation for services, given as security for a loan made by any licensee under this chapter, a sum not to exceed ten percent of the borrower's salary, wages, commissions, or other compensation for services shall be collectible from the employer of the borrower by the licensee at the time for each payment to the borrower of salary, wages, commissions, or other compensation for services, from the time that a copy of the assignment, verified by the oath of the licensee or the licensee's agent, together with a similarly verified statement of the amount unpaid upon the loan and a printed copy of this section is served upon the employer; provided, that this section shall not be construed as giving the assignee any greater rights than those under section 181.05.

This section shall control, with respect to licensees, notwithstanding anything in section 47.59, subdivision 12, paragraph (c), to the contrary.

History: *(7774-57) 1939 c 12 s 17; 1981 c 258 s 16; 1986 c 444; 1995 c 202 art 1 s 24*