

## CHAPTER 16D

### DEBT COLLECTION

16D.11 Collection penalty.

#### 16D.11 COLLECTION PENALTY.

*[For text of subs 1 to 6, see M.S.1996]*

**Subd. 7. Adjustment of rate.** By June 1 of each year, the commissioner of finance shall determine the rate of the penalty for debts referred to the enterprise during the next fiscal year. The rate is a percentage of the debts in an amount that most nearly equals the costs of the enterprise necessary to process and collect referred debts under this chapter. In no event shall the rate of the penalty when a debt is first referred exceed three-fifths of the maximum penalty, and in no event shall the rate of the maximum penalty exceed 25 percent of the debt. Determination of the rate of the penalty under this section is not subject to the fee setting requirements of section 16A.1285.

**History:** 1997 c 187 art 3 s 3