

CHAPTER 16D

STATE DEBT COLLECTION

16D.08 Collection duties and powers.

16D.08 COLLECTION DUTIES AND POWERS.*[For text of subd 1, see M.S.2000]*

Subd. 2. **Powers.** (a) In addition to the collection remedies available to private collection agencies in this state, the commissioner, with legal assistance from the attorney general, may utilize any statutory authority granted to a referring agency for purposes of collecting debt owed to that referring agency. The commissioner may also delegate to the enterprise the tax collection remedies in sections 270.06, clauses (7) and (17), excluding the power to subpoena witnesses; 270.66; 270.69, excluding subdivisions 7 and 13; 270.70, excluding subdivision 14; 270.7001 to 270.72; and 290.92, subdivision 23, except that a continuous wage levy under section 290.92, subdivision 23, is only effective for 70 days, unless no competing wage garnishments, executions, or levies are served within the 70-day period, in which case a wage levy is continuous until a competing garnishment, execution, or levy is served in the second or a succeeding 70-day period, in which case a continuous wage levy is effective for the remainder of that period. A debtor who qualifies for cancellation of collection costs under section 16D.11, subdivision 3, clause (1), can apply to the commissioner for reduction or release of a continuous wage levy, if the debtor establishes that the debtor needs all or a portion of the wages being levied upon to pay for essential living expenses, such as food, clothing, shelter, medical care, or expenses necessary for maintaining employment. The commissioner's determination not to reduce or release a continuous wage levy is appealable to district court. The word "tax" or "taxes" when used in the tax collection statutes listed in this subdivision also means debts referred under this chapter.

(b) For debts other than state taxes, child support, or student loans, before any of the tax collection remedies listed in this subdivision can be used, except for the remedies in section 270.06, clauses (7) and (17), if the referring agency has not already obtained a judgment or filed a lien, the commissioner must first obtain a judgment against the debtor. For student loans when the referring agency has not obtained a judgment or filed a lien, before using the tax collection remedies listed in this subdivision, except for the remedies in section 270.06, clauses (7) and (17), the commissioner shall give the debtor 30 days' notice in writing, which may be served in any manner permitted in section 270.68 for service of a summons and complaint. The notice must advise the debtor of the debtor's right to request that the commissioner commence a court action, and that if no such request is made within 30 days after service of the notice, the commissioner may use these tax collection remedies. If a timely request is made, the commissioner shall obtain a judgment before using these tax collection remedies.

History: 1Sp2001 c 5 art 7 s 1