



Legal Services Advocacy Project

March 25, 2024

The Honorable Ron Latz
Chair, Judiciary and Public Safety Committee
Minnesota Senate
3105 Minnesota Senate Building
St. Paul, MN 55155

The Honorable Warren Limmer
Ranking Minority Leader, Judiciary and Public Safety Committee
Minnesota Senate
2221 Minnesota Senate Building
St. Paul, MN 55155

Re: SF 4065 – Minnesota Debt Fairness Bill

Dear Chair Latz, Ranking Minority Leader Limmer, and Members of the Judiciary and Public Safety Committee:

Legal Aid writes in support of SF 4065, the Minnesota Debt Fairness Act. Legal Aid provides civil legal services to low-income Minnesotans, Minnesotans with disabilities, and elder Minnesotans, statewide, to help them meet their basic needs. Minnesotans, Minnesotans with disabilities, and elder Minnesotans, statewide, to help them meet their basic needs.

Among the provisions in the bill that will benefit Minnesota consumers are the prohibitions on abusive collection practices regarding and the prohibitions on reporting medical debt. No one chooses to incur medical debt. Further, other provisions in the bill that will benefit Minnesotans struggling with debt or needing to file bankruptcy are the updates to the garnishment exemptions, which have not been updated in years, and the protection of earnings from sole practitioners and other small business owners and independent contractors. While existing law protects the wages of employees, these sole practitioners and independent contractors are at risk of having their bank accounts wiped out by a creditor. Everyone needs a reasonable amount of money to pay rent, put food on the table and cover basic necessities of living as they repay the debts they owe.

Legal Aid looks forward to continuing discussions with creditors and collectors and other interested parties to make improvements to the bill and strengthen the protections for clients and all Minnesotans.

Sincerely,

Ron Elwood
Supervising Attorney

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