



To: All licensed Collection Agencies and Registered Collectors

From: Commissioner of Commerce Steve Kelley

Re: Enforcement Guidance regarding Minnesota Statutes § 332.33, subd. 3

Effective Date: March 13, 2020

Due to the heightened concern about the coronavirus (COVID-19), we send this temporary regulatory guidance to all collection agencies who are required to license all branches where their collectors work. On January 31, 2020, the United States Health and Human Services Secretary declared the COVID-19 outbreak to be a public health emergency in the United States. On March 11, 2020, the World Health Organization declared COVID-19 to be a pandemic of international concern. The purpose of this communication is to set forth the Department's position regarding the licensure of branch office locations during the pendency or uncertainty of the COVID-19 outbreak.

#### **Licensing Requirements**

Under Minn. Stat. § 332.33, "A collection agency who desires to carry on business in more than one place shall procure a license for each place where the business is to be conducted." As such, under Minnesota law, a collector is not allowed to work from home unless their home is a licensed branch location.

#### **Temporary Position of the Department**

The Commissioner recognizes that because of the concerns surrounding the COVID-19 outbreak, individual collectors may wish to work from home temporarily to protect themselves even though their home location is not currently licensed by the Department as a branch office. Because of the concerns surrounding the transmission of COVID-19, the Department has decided to not take action against any licensee who allows their individual registered collectors to temporarily work from home as a precautionary measure. This decision is effective immediately through April 30, 2020, so long as the following criteria are met:

- 1) The activity is conducted from the home location of an individual working on behalf of a Minnesota licensee;
- 2) The individual is working from home due to a reason relating to the COVID-19 outbreak and has informed the licensee of such reason;
- 3) None of the activity will be conducted in person with members of the public from the home location; and
- 4) The licensee shall at all times exercise supervision of the activity being performed at the home office and ensure that appropriate safeguards and controls are in place to protect consumer information and data.

Please note that this no action position is only that the Department will temporarily not enforce Minn. Stat. § 332.33, subd. 3. All other legal requirements under Chapter 332, and other applicable law are still in force. A licensee will still be responsible for any other violations of law from the activity performed at the home office, if there are violations.

The Commissioner may amend, revise, or extend this position at any time and at his discretion. This does not constitute a permanent statutory or regulatory exemption from licensure. This is a response to the current COVID-19 outbreak to ensure the safety and wellness of all licensees and their employees.