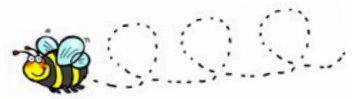




# Minnesota Bankruptcy Buzz

## KAIN & SCOTT P.A.

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### Bankruptcy news Minnesota Lawyers can use FACTS AND FIGURES

Minnesotans filed 977 Chapter 7 and Chapter 13 Bankruptcies in April, 2018. In April 2017, Minnesotans had filed 882 Chapter 7 and Chapter 13 Bankruptcies. That is a increase of 10.77% year over year in April.

Thus far, in 2018, Minnesotans have filed 3,390 bankruptcy cases. Compared to this time in 2017, Minnesotans had filed bankruptcy 3,287 cases. This is an increase of 3.13%.

*Testimonial: "Life is just that again, my life. It's good to have it back. Thank you, Eric"*



## More bankruptcy news you can use

Just before Laertes went off to Paris in Hamlet, his father (Polonius) gave him a slew of fatherly advice. One suggestion was “Neither a borrower nor a lender be.”

But most of us have ignored that advice. We are both borrowers and lenders. So, it’s very important for us to understand how bankruptcy affects both groups. Many of our previous posts focus on the rights of debtors in bankruptcy. That makes sense, because we are a debt-relief law firm. But we also need to examine creditors rights in bankruptcy. Believe it or not, moneylenders are people too.

### THE STATE OF THE LAW

Many Europeans originally came to Minnesota and other areas of the West and Midwest to escape their creditors. So, many states in this region have very strong anti-creditor laws. These statutes sharply limit the powers of private debt collectors. Public debt collectors, like the Minnesota Department of Revenue and IRS, are largely exempt from these rules.

These debtor-friendly laws may not last too much longer, at least in their current forms. In 2017, the Supreme Court significantly watered down the protections contained in the Fair Debt Collections Practices Act. *Midland Funding v. Johnson* essentially expanded the statute of limitations in debt collection matters. By a 7-1 vote (incoming Justice Neil Gorsuch did not participate in the case), the Justices ruled that a debt buyer could always file a proof of claim in a consumer bankruptcy case. That right remains even if the collection statute of limitations had long since expired.

Less than a month later, Justice Gorsuch wrote the unanimous opinion in *Henson v. Santander*. In that case, the Justices ruled that moneylenders that turn over delinquent accounts to companies which they own are entirely immune from the FDCPA. In other words, if Bank simply transfers a past-due account to another division, Bank may be able to use such tactics like:

- Making repetitive phone calls which are designed to annoy or harass the debtor,
- Using harsh or abusive language, or
- Threatening to undertake actions of dubious legality.

**CLICK HERE TO  
CONTINUE READING**

**Words to live by...**

**“Not all storms  
come to disrupt  
your life, some  
come to clear  
your path.”**

**-Author unknown**

*Testimonial: “We are simply out of words. Your company is the life preserver & lifeguard that stopped my family from drowning.”*

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***Testimonial: “You guys are wonderful and so down to earth. You sure make a stressful situation calming.  
The staff is so nice and caring! Thanks much! Bachmans”***

**\*See Guarantee for details**

**\*\*Client to pay costs**

**\*\*\*Requires a Third Party Guarantee**

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