

1.1 A bill for an act
1.2 relating to commerce; clarifying the application of usury laws to certain loans
1.3 related to a right to sue; amending Minnesota Statutes 2008, section 334.01, by
1.4 adding a subdivision.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2008, section 334.01, is amended by adding a
1.7 subdivision to read:

1.8 Subd. 4. **Contracts for presettlement funding arrangements.** Subdivision 1
1.9 applies to any contract that provides for the advancement of money for the purchase of
1.10 any part of or any interest in an actual or potential lawsuit or cause of action, regardless
1.11 of whether or not the advance payment is repayable absolutely or conditioned upon the
1.12 successful conclusion or settlement of the actual or potential lawsuit or cause of action.

1.13 **EFFECTIVE DATE.** This section is effective August 1, 2009, and applies to
1.14 contracts entered into on or after that date.