

Fifty-sixth Legislative Assembly, State of North Dakota, begun in the Capitol in the City of Bismarck, on Tuesday, the fifth day of January, one thousand nine hundred and ninety-nine

SENATE BILL NO. 2097
(Industry, Business and Labor Committee)
(At the request of the Department of Banking and Financial Institutions)

AN ACT to amend and reenact sections 13-04.1-02, 13-04.1-07, and 13-04.1-09.1 of the North Dakota Century Code, relating to money broker license requirements, records, and fees.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 13-04.1-02 of the North Dakota Century Code is amended and reenacted as follows:

13-04.1-02. Money broker license required. Except as otherwise herein provided, ~~no~~ a person other than a money broker licensed and authorized under this chapter may not provide loans, consumer leases as a form of financing, advertise, or solicit either in print, by letter, in person, or otherwise in North Dakota, the right to find lenders or provide loans or consumer leases for persons or businesses desirous of obtaining funds for any purposes. As used in this chapter, the term "money broker" does not include banks, credit unions, savings and loan associations, insurance companies, small loan companies, consumer finance companies, state or federal agencies and their employees, institutions chartered by the farm credit administration, trust companies, or any other person or business regulated and licensed by the state of North Dakota. The term "money broker" also does not include a real estate broker, broker, or a real estate salesperson as defined in section 43-23-06.1 in the brokering of loans to assist a person in obtaining financing for real estate sold by the real estate broker, broker, or real estate salesperson. The term "money broker" also does not include any persons, retail sellers, or manufacturers providing lease financing for their own property or inventory held as a normal course of business, or to leases on any real property.

SECTION 2. AMENDMENT. Section 13-04.1-07 of the North Dakota Century Code is amended and reenacted as follows:

13-04.1-07. Manner in which records to be kept. Every money broker licensed under this chapter shall keep a record of all sums collected by them and of all loans and leases completed as a result of their efforts for a period of six years from the date of last entry thereon.

SECTION 3. AMENDMENT. Section 13-04.1-09.1 of the North Dakota Century Code is amended and reenacted as follows:

13-04.1-09.1. Advance fees prohibited - Exception. ~~No~~ A money broker may not take any type of fee in advance before the funding of the loan or lease, unless the money broker is licensed under this chapter.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Fifty-sixth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2097.

Senate Vote: Yeas 48 Nays 0 Absent 1

House Vote: Yeas 92 Nays 3 Absent 3

Secretary of the Senate

Received by the Governor at _____ M. on _____, 1999.

Approved at _____ M. on _____, 1999.

Governor

Filed in this office this _____ day of _____, 1999,
at _____ o'clock _____ M.

Secretary of State