

HOUSE BILL NO. 1359

Introduced by

Representatives Kreidt, Galvin, Uglen

Senator Brown

1 A BILL for an Act to amend and reenact section 13-01-14 of the North Dakota Century Code,
2 relating to the amount of late payment charges a licensed nursing facility or basic care facility
3 may charge on medical bills.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Section 13-01-14 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **13-01-14. Late payment charge on accounts receivable.**

- 8 1. A creditor may charge, receive, and collect a late payment charge on all money
9 due on account from thirty days after the obligation of the debtor to pay has been
10 incurred.
- 11 2. Except as provided in subsection 4, the late payment charge may not exceed one
12 and three-fourths percent per month.
- 13 3. The late payment charge provided in this section may be charged only if, when the
14 obligation was incurred, the creditor did not intend to extend any credit beyond
15 thirty days and any late payment of the obligation was unanticipated.
- 16 4. A creditor may not charge, receive, or collect a late payment charge on medical or
17 hospital bills during the initial ninety days following services. A late payment
18 charge may be imposed at a rate that does not exceed one percent per month, but
19 the charge cannot exceed twenty-five dollars per month. The twenty-five dollar
20 limit under this subsection does not apply to a creditor that is a licensed nursing
21 facility or a basic care facility. This subsection does not apply in cases of financial
22 hardship as certified by the creditor.
- 23 5. This section does not apply to:
- 24 a. Money due on retail installment contracts, as defined in chapter 51-13.

- 1 b. Money due on revolving charge accounts, as defined in chapter 51-14.