

HOUSE BILL NO. 1319

Introduced by

Representatives Wrangham, Conklin, Grande, Kasper, Schatz

Senator Dotzenrod

1 A BILL for an Act to create and enact a new section to chapter 35-03 of the North Dakota
2 Century Code, relating to rescission periods for mortgages.

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

4 **SECTION 1.** A new section to chapter 35-03 of the North Dakota Century Code is
5 created and enacted as follows:

6 **Rescission periods - Finance charges.** In the case of a mortgage on a principal
7 dwelling of the individual to whom credit is extended, the obligor may rescind the transaction
8 until midnight of the third business day following the consummation of the transaction, by
9 notifying the creditor of the obligor's intention to rescind. The creditor shall disclose clearly and
10 conspicuously to any obligor in a transaction subject to this section the rights of the obligor
11 under this section. The creditor shall provide the obligor with appropriate forms to exercise the
12 obligor's right to rescind any transaction subject to this section. A finance charge or other
13 charge may not begin to accrue on any transaction covered under this section until the
14 termination of the rescission period provided for in this section.