## FIRST ENGROSSMENT

Fifty-fifth Legislative Assembly of North Dakota

## ENGROSSED SENATE BILL NO. 2259

Introduced by

Senators Traynor, Krebsbach

- 1 A BILL for an Act to amend and reenact section 28-26-04 of the North Dakota Century Code,
- 2 relating to attorney's fees in actions to collect debts or enforce obligations.

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

4 **SECTION 1. AMENDMENT.** Section 28-26-04 of the North Dakota Century Code is 5 amended and reenacted as follows:

6 **28-26-04.** Attorney's fee in instrument void. Any provision contained in any note,

7 bond, mortgage, security agreement, or other evidence of debt Except for agreements between

8 credit card issuers and credit card holders governing use of credit cards, a contractual provision

- 9 that provides for the payment of an attorney's fee in case of default in payment or in
- 10 proceedings had to collect such <u>a</u> note, bond, or evidence of debt, or to foreclose such <u>a</u>
- 11 mortgage or security agreement, is against public policy and void may allow only the payment
- 12 of reasonable attorney's fees. An agreement between credit card issuers and credit card
- 13 holders governing use of credit cards may not allow payment of attorney's fees in case of
- 14 <u>default in payment of any credit card debt.</u>