

Fifty-eighth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1427

Introduced by

Representative Weiler

1 A BILL for an Act to amend and reenact section 13-05-02 of the North Dakota Century Code,
2 relating to exemptions to collection agency license requirements.

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

4 **SECTION 1. AMENDMENT.** Section 13-05-02 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **13-05-02. Collection agency license required to collect claims.** Except as
7 otherwise herein provided, no person other than a collection agency licensed and authorized
8 under this chapter may advertise or solicit either in print, by letter, in person, or otherwise, the
9 right to collect or receive payment of any claim for another or sell or give away collection letters
10 as demand forms in the state of North Dakota. As used in this chapter, the term "collection
11 agency" does not include attorneys at law, licensed real estate brokers, banks, trust companies,
12 building and loan associations, abstract companies doing an escrow business, creditors
13 collecting their own debts, individuals or firms who purchase or take accounts receivable for
14 collateral purposes, individuals employed in the capacity of creditman upon the staff of an
15 employer not engaged in the business of a collection agency, or any public officer, receiver, or
16 trustee acting under the order of a court, or any person while acting as a debt collector for
17 another person, both of whom are related by common ownership or affiliated by corporate
18 control if the person acting as a debt collector does so only for persons to whom it is so related
19 or affiliated and if the principal business of such person is not the collection of debts. A person
20 may not be considered to be engaged in collection activity within this state if that person's
21 activities are limited to collecting debts from debtors located in this state by means of interstate
22 communications, including telephone, mail, or facsimile transmission from the person's location
23 in another state if the person is licensed and bonded in that state and the state has enacted
24 similar legislation.