

June 2007

## **TITLE 13**

### **Debtor and Creditor Relationships**

### **Summary of Bills Enacted by 2007 Legislative Assembly**

This memorandum summarizes 2007 legislation primarily affecting North Dakota Century Code Title 13. Bills primarily affecting other titles also may affect this title, but those bills are not summarized in this memorandum.

**House Bill No. 1117** provides changes to the Consumer Finance Act, including providing what constitutes a fraudulent practice, requiring a person to be licensed under the Consumer Finance Act before taking a fee in advance of funding a loan or lease, and authorizing the Department of Financial Institutions to issue orders and apply for injunctions; provides changes to the law regulating money brokers, including clarifying relevant definitions and clarifying the scope of the law covers persons engaging in money brokering with borrowers who reside in North Dakota; and provides changes to the law regulating collection agencies, including clarifying the scope of the law covers persons engaging in debt collection with debtors who reside in North Dakota and clarifying who is not subject to regulation under the collection agencies law.

**House Bill No. 1328** provides that for purposes of late payment charges on accounts receivable, a creditor may assign an account receivable and an assignee of an account receivable has the same right to charge a late payment charge as did the original creditor.

**Senate Bill No. 2210** addresses late payment charges on accounts receivable for medical services, providing the period of time after which an account becomes delinquent, distinguishing between the amount of charges a hospital may charge and a medical services provider that is not a hospital, and also limits the amount a medical services provider may charge as a finance charge, credit service charge, or interest rate.