

Sixty-first  
Legislative Assembly  
of North Dakota

## HOUSE BILL NO.

Introduced by

Representative Kasper

1 A BILL for an Act to create and enact a new section to chapter 47-14 of the North Dakota  
2 Century Code, relating to usurious rates of interest for credit cards; to amend and reenact  
3 section 51-14-03 of the North Dakota Century Code, relating to credit service charges on  
4 revolving charge accounts; and to provide for application.

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

6 **SECTION 1.** A new section to chapter 47-14 of the North Dakota Century Code is  
7 created and enacted as follows:

8 **Usury - Credit cards.** Notwithstanding contrary provisions under section 47-14-09, an  
9 issuer of a credit card may not contract for, receive, or collect a finance charge on credit  
10 extended by a credit card at an annual rate of interest exceeding eighteen percent.

11 **SECTION 2. AMENDMENT.** Section 51-14-03 of the North Dakota Century Code is  
12 amended and reenacted as follows:

13 **51-14-03. Limitation of credit service charge.** In a revolving charge agreement, a  
14 seller may contract for and, if so contracted for, the seller or holder of the agreement may  
15 charge, receive, and collect the service charge authorized by this section. The service charge  
16 may not exceed the amount agreed to by the parties, not to exceed an annual rate of interest  
17 on principle of eighteen percent. ~~In the event~~ If any payment by a buyer is insufficient to pay  
18 both the credit service charge and that portion of the outstanding indebtedness then due, the  
19 payments must first be applied to the credit service charge then due.

20 **SECTION 3. APPLICATION.** This Act applies to all new credit card contracts and  
21 revolving charge account agreements entered after July 31, 2009, and applies to all existing  
22 credit card contracts and revolving charge account agreements renewed after July 31, 2009.