

January 21, 2011

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1038

Page 1, line 3, after "6-01-01.1" insert "and section 13-07-01"

Page 1, line 4, after "fund" insert "and the definition of consumer credit counseling service; to repeal chapter 13-06 of the North Dakota Century Code, relating to regulation of debt adjusters"

Page 1, after line 12, insert:

"SECTION 2. AMENDMENT. Section 13-07-01 of the North Dakota Century Code is amended and reenacted as follows:

13-07-01. Consumer credit counseling service - Definition.

As used in this chapter, "consumer credit counseling service" means a nonprofit corporation ~~engaged in the business of debt adjusting as defined in section 13-06-01~~ whose agreements contemplate that a debtor will liquidate the debtor's debts by structured installments or that a creditor will reduce finance charges or fees for late payments, default, or delinquency. For purposes of this chapter, a nonprofit corporation means an entity that is:

1. Organized and properly operating as a nonprofit entity under the laws of the state in which it was formed;
2. Exempt from taxation under the federal Internal Revenue Code [26 U.S.C. 501]; and
3. Not owned, operated, managed by, or affiliated with a for-profit entity."

Page 3, line 11, replace "the" with "this"

Page 3, line 17, after the fourth underscored comma insert "farm credit system institution,"

Page 4, line 1, after "person" insert "currently"

Page 4, line 1, replace "chapter 13-10" with "any chapter administered by the department of financial institutions or registered with the attorney general's office"

Page 4, line 11, remove "or"

Page 4, line 18, after "debt" insert "; or

- (3) Offering to provide advice or service, or acting as an intermediary between or on behalf of a person and a state or federal government agency where the primary purpose of the advice, service, or action is to obtain a settlement, adjustment, or satisfaction of the person's tax obligation to the government agency in an amount less than the current outstanding balance of the tax obligation"

Page 4, line 24, remove "or"

Page 4, line 31, after "requirement" insert "; or

(4) A nonprofit corporation engaged in consumer credit counseling services under chapter 13-07"

Page 5, line 10, after "Person" insert "means an individual, corporation, limited liability company, partnership, trust, firm, association, or other legal entity. The term"

Page 7, line 2, remove "or disciplined with respect to a license"

Page 8, line 5, replace "registered" with "licensed"

Page 10, line 27, replace "will" with "may"

Page 12, line 1, remove "Such funds are not subject to attachment, lien, levy of execution, or sequestration by"

Page 12, remove lines 2 and 3

Page 12, line 4, remove "3."

Page 12, line 10, replace "4." with "3."

Page 12, line 29, replace "will" with "may"

Page 14, line 18, replace "WILL" with "MAY"

Page 18, line 23, remove ", except for a one-time"

Page 18, line 24, remove "enrollment fee of no more than one hundred dollars"

Page 18, line 26, replace "fifteen" with "thirty"

Page 19, line 9, remove "A provider may accept voluntary"

Page 19, remove lines 10 through 12

Page 19, line 19, remove ", unless the"

Page 19, remove line 20

Page 19, line 21, remove "more than fifty percent of the principal amount of the debt owed a creditor"

Page 20, line 20, after "debt" insert "or is part of a payment plan, the terms of which are included in the certification, that upon completion, will lead to full settlement of the debt"

Page 22, line 3, after "law" insert "in this state"

Page 23, line 26, remove "or any rule or order of the commissioner under"

Page 23, remove line 27

Page 23, line 28, remove "provision of this chapter to be unlawful"

Page 24, after line 25, insert:

"SECTION 4. REPEAL. Chapter 13-06 of the North Dakota Century Code is repealed."

Renumber accordingly