

Sixty-third  
Legislative Assembly  
of North Dakota

**HOUSE BILL NO. 1084**

Introduced by

Industry, Business and Labor Committee

(At the request of the Department of Financial Institutions)

A BILL for an Act to create and enact two new sections to chapter 13-05, two new sections to chapter 13-08, two new sections to chapter 13-09, and a new section to chapter 13-11 of the North Dakota Century Code, relating to a six-month extension of a collection agency license, a deferred presentment service provider license, and a money transmitter license during the 2014 calendar year, and the confidentiality of information submitted or received by the commissioner or commissioner's designee to a nationwide multistate licensing system; and to amend and reenact sections 13-05-03, 13-05-05, 13-08-04, and 13-08-09, subsection 6 of section 13-08-12, and sections 13-09-07, 13-09-10, and 13-11-03 of the North Dakota Century Code, relating to collection agency license applications, the expiration and renewal of a collection agency license, deferred presentment service provider license applications, the expiration and renewal of a deferred presentment service provider license, deferred presentment service transaction procedures, money transmitter license applications, the expiration and renewal of a money transmitter license, and debt-settlement provider license applications.

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

**SECTION 1. AMENDMENT.** Section 13-05-03 of the North Dakota Century Code is amended and reenacted as follows:

**13-05-03. Application for a collection agency license.**

Every

1. Each application for a collection agency license, or for a renewal thereof, must be made upon forms furnished by the department of financial institutions in the form prescribed by the commissioner and must contain the following information:

1.a. The full name and proposed business name of the applicant.

2.b. The address where the business is to be conducted.

1       ~~3.c.~~   The names and addresses of the applicant and those associated with the  
2           applicant. If the applicant is a corporation, the application must contain the  
3           names of the officers of the corporation. If the applicant is a limited liability  
4           company, the application must contain the names of the managers of the limited  
5           liability company. The applicant must register with the North Dakota secretary of  
6           state if so required.

7       ~~4.d.~~   Such additional information which the department of financial institutions shall  
8           require.

9       2.   To fulfill the purposes of this chapter, the commissioner may establish relationships or  
10       contracts with a nationwide multistate licensing system and registry or other entities  
11       designated by a nationwide multistate licensing system and registry to collect and  
12       maintain records and process transaction fees or other fees related to licensees or  
13       other persons subject to the chapter. The applicant shall pay directly to such  
14       nationwide multistate licensing system any additional fee relating to participation in  
15       such nationwide multistate licensing system.

16       3.   In connection with an application for licensing as a collection agency, or any license  
17       renewals, the applicant shall furnish to the nationwide multistate licensing system  
18       information concerning the applicant's identity, which may include:

- 19       a.   Fingerprints for submission to the federal bureau of investigation, and any  
20       governmental agency or entity authorized to receive such information for a state,  
21       national, and international criminal history background check;  
22       b.   Personal history and experience in a form prescribed by the nationwide multistate  
23       licensing system, including the submission of authorization for the nationwide  
24       multistate licensing system and the commissioner to obtain:  
25       (1)   An independent credit report obtained from a consumer reporting agency  
26       described in section 603(p) of the Fair Credit Reporting Act; and  
27       (2)   Information related to any administrative, civil, or criminal findings by any  
28       governmental jurisdiction; and  
29       c.   Any other documents, information, or evidence the commissioner deems relevant  
30       to the application regardless of the location, possession, control, or custody of  
31       such documents, information, or evidence.

1       4. For the purposes of this section and in order to reduce the points of contact which the  
2       federal bureau of investigation may have to maintain for purposes of subsection 3, the  
3       commissioner may use the nationwide multistate licensing system and registry as a  
4       channeling agent for requesting information from and distributing information to the  
5       department of justice or any governmental agency.

6       5. For the purposes of this section and in order to reduce the points of contact which the  
7       commissioner may have to maintain for purposes of subsection 3, the commissioner  
8       may use the nationwide multistate licensing system and registry as a channeling agent  
9       for requesting and distributing information to and from any source so directed by the  
10      commissioner.

11      **SECTION 2. AMENDMENT.** Section 13-05-05 of the North Dakota Century Code is  
12      amended and reenacted as follows:

13      **13-05-05. Expiration and renewal of license.**

14      All licenses required herein expire on ~~June thirtieth~~December thirty-first of each year and  
15      may be renewed. Applications for renewal must be submitted thirty days before the expiration of  
16      the license and must be accompanied by the required annual fees, which are not subject to  
17      refund. The form and content of renewal applications must be determined by the department of  
18      financial institutions and a renewal application may be denied upon the same grounds as would  
19      justify denial of an initial application. When a licensee has been delinquent in renewing the  
20      licensee's license, the department may charge an additional fee of fifty dollars for the renewal of  
21      the license. A collection agency license is not transferable. If the commissioner determines that  
22      an ownership change has occurred in a sole proprietorship, partnership, limited liability  
23      partnership, corporation, or limited liability corporation that was previously granted a collection  
24      agency license, the commissioner may require a new application from the purchaser. The  
25      application must be filed within forty-five days from the date change of ownership is  
26      consummated. The department shall act on the application within sixty days from the date the  
27      application is received but may extend the review period for good cause. The collection agency  
28      license granted to the previous owner continues in effect to the new purchaser until the  
29      application is either granted or denied.

30      **SECTION 3.** A new section to chapter 13-05 of the North Dakota Century Code is created  
31      and enacted as follows:

1       **Automatic six-month extension of license during 2014 calendar year.**

2       All current licensees who have made payment of a fee in accordance with sections  
3       13-05-04 and 13-05-05, for a collection agency license effective after July 1, 2013, shall be  
4       granted an extension of its current license until December 31, 2014. If at any time prior to  
5       December 31, 2014, a licensee's license expires or otherwise terminates under this chapter, the  
6       applicant shall be required to pay licensing fees in accordance with section 13-05-04, and that  
7       license will expire on December 31, 2014.

8       **SECTION 4.** A new section to chapter 13-05 of the North Dakota Century Code is created  
9       and enacted as follows:

10       **Confidentiality.**

11       To promote more effective regulation and reduce regulatory burden through supervisory  
12       information sharing, the commissioner or commissioner's designee may furnish information to  
13       or receive information from a nationwide multistate licensing system for the purpose of  
14       regulation of the financial services industry. Information furnished by the commissioner to any  
15       third party which is confidential or privileged in the commissioner's possession remains  
16       confidential or privileged in the possession of the third party. Information received by the  
17       commissioner from any third party which is confidential or privileged in the third party's  
18       possession remains confidential or privileged in the commissioner's possession.

19       **SECTION 5. AMENDMENT.** Section 13-08-04 of the North Dakota Century Code is  
20       amended and reenacted as follows:

21       **13-08-04. Application for license.**

- 22       1. Each application for a license must be in the form prescribed by the commissioner and  
23       must include:
- 24       4.a. The legal name of the applicant, residence of the applicant, business address of  
25       the applicant, and address at which deferred presentment service is provided if  
26       different from the business address and, if the applicant is a partnership,  
27       association, or corporation, the name and address of every member, officer, and  
28       director;
- 29       2.b. The location at which the registered office of the applicant is located; and
- 30       3.c. Other data and information the commissioner may require with respect to the  
31       applicant and the applicant's directors, officers, members, and shareholders.

- 1       2. To fulfill the purposes of this chapter, the commissioner may establish relationships or  
2       contracts with a nationwide multistate licensing system and registry or other entities  
3       designated by a nationwide multistate licensing system and registry to collect and  
4       maintain records and process transaction fees or other fees related to licensees or  
5       other persons subject to the chapter. The applicant shall pay directly to such  
6       nationwide multistate licensing system any additional fee relating to participation in  
7       such nationwide multistate licensing system.
- 8       3. In connection with an application for licensing as a deferred presentment service  
9       provider, or any license renewals, the applicant shall furnish to the nationwide  
10       multistate licensing system information concerning the applicant's identity, which may  
11       include:
- 12       a. Fingerprints for submission to the federal bureau of investigation and any  
13       governmental agency or entity authorized to receive such information for a state,  
14       national, and international criminal history background check;
- 15       b. Personal history and experience in a form prescribed by the nationwide multistate  
16       licensing system, including the submission of authorization for the nationwide  
17       multistate licensing system and the commissioner to obtain:
- 18             (1) An independent credit report obtained from a consumer reporting agency  
19             described in section 603(p) of the Fair Credit Reporting Act; and
- 20             (2) Information related to any administrative, civil, or criminal findings by any  
21             governmental jurisdiction; and
- 22       c. Any other documents, information, or evidence the commissioner deems relevant  
23       to the application regardless of the location, possession, control, or custody of  
24       such documents, information, or evidence.
- 25       4. For the purposes of this section and in order to reduce the points of contact which the  
26       federal bureau of investigation may have to maintain for purposes of subsection 3, the  
27       commissioner may use the nationwide multistate licensing system and registry as a  
28       channeling agent for requesting information from and distributing information to the  
29       department of justice or any governmental agency.
- 30       5. For the purposes of this section and in order to reduce the points of contact which the  
31       commissioner may have to maintain for purposes of subsection 3, the commissioner

1           may use the nationwide multistate licensing system and registry as a channeling agent  
2           for requesting and distributing information to and from any source so directed by the  
3           commissioner.

4           **SECTION 6. AMENDMENT.** Section 13-08-09 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6           **13-08-09. Expiration of license - Renewal.**

7           Licenses issued under this chapter expire as of ~~June thirtieth~~December thirty-first of each  
8 year. A license may be renewed for the ensuing twelve-month period upon application and the  
9 payment to the commissioner of the annual license fee, which is not subject to refund, before  
10 ~~June~~December first of each year. The form and content of renewal applications must be  
11 determined by the department of financial institutions and a renewal application may be denied  
12 upon the same grounds as would justify denial of an initial application. When a licensee has  
13 been delinquent in renewing the licensee's license, the department may charge an additional  
14 fee of fifty dollars for the renewal of such license.

15           **SECTION 7. AMENDMENT.** Subsection 6 of section 13-08-12 of the North Dakota Century  
16 Code is amended and reenacted as follows:

- 17           6. Each deferred presentment service transaction, including a renewal, must be  
18 documented by a written agreement signed or similarly authenticated by the customer.  
19           The original agreement must contain the name of the licensee; the transaction date;  
20 the amount of the obligation; a statement of the total amount of fees charged,  
21 expressed as a dollar amount and as an annual percentage rate; the name and  
22 signature of the individual who signs the agreement on behalf of the licensee; the  
23 name and address of the check maker; the transaction number assigned by the  
24 database; the date of negotiation of the check; the signature of the check maker; a  
25 statement that a licensee may not renew a transaction more than once; a statement  
26 that the renewal fee may not exceed twenty percent of the amount being renewed; a  
27 statement that the maximum term of the transaction, including ~~a statement that the~~  
28 renewal, may not exceed sixty ~~business~~calendar days; a statement that the term of the  
29 renewal period may not be less than fifteen ~~business~~calendar days; and a statement  
30 containing the right of rescission printed immediately above the signature line of the  
31 written agreement in a minimum of ten-point font and providing a space for the check

1 maker to initial that the notice to the right of rescission was received. The original  
2 agreement may not include a hold harmless clause; a confession of judgment clause;  
3 any assignment of or order for payment of wages or other compensation for services;  
4 a provision in which the check maker agrees not to assert any claim or defense arising  
5 out of the agreement; a waiver of any provision of this chapter; any representation  
6 from the check maker as to the sufficiency of funds regarding any past deferred  
7 presentment service transactions; or any statement regarding criminal prosecution  
8 with respect to the agreement. A renewal agreement must be contained in a separate  
9 section, as part of the original written agreement or in other form as approved by the  
10 commissioner. The renewal agreement must restate the original transaction date, the  
11 renewal transaction date, the amount of the check paid to the check maker, the fee  
12 charged in dollars, and the maturity date. The agreement must authorize the licensee  
13 to defer presentment or negotiation of the check, or electronic debit of the customer's  
14 account, until a specified date. The maker of a check may redeem the check from the  
15 licensee at any time before the negotiation or presentment of the check by making  
16 payment to the licensee. A customer agreeing to an electronic deferred presentment  
17 service transaction may repay the obligation at any time before the agreed-upon date.  
18 A customer may rescind any transaction by the close of the business day following the  
19 day on which the customer receives payment from the licensee at no cost. If a  
20 customer agreeing to an electronic deferred presentment service transaction rescinds  
21 the transaction, the licensee must facilitate the repayment of the funds through the  
22 same electronic means the licensee used to deliver the funds to the customer.

23 **SECTION 8.** A new section to chapter 13-08 of the North Dakota Century Code is created  
24 and enacted as follows:

25 **Automatic six-month extension of license during 2014 calendar year.**

26 All current licensees who have made payment of a fee in accordance with section 13-08-05,  
27 for a deferred presentment service provider license effective after July 1, 2013, shall be granted  
28 an extension of their current license until December 31, 2014. If at any time prior to  
29 December 31, 2014, a licensee's license expires or otherwise terminates under this chapter, the  
30 applicant shall be required to pay licensing fees in accordance with section 13-08-05, and that  
31 license will expire on December 31, 2014.

1       **SECTION 9.** A new section to chapter 13-08 of the North Dakota Century Code is created  
2 and enacted as follows:

3       **Confidentiality.**

4       To promote more effective regulation and reduce regulatory burden through supervisory  
5 information sharing, the commissioner or commissioner's designee may furnish information to  
6 or receive information from a nationwide multistate licensing system for the purpose of  
7 regulation of the financial services industry. Information furnished by the commissioner to any  
8 third party which is confidential or privileged in the commissioner's possession remains  
9 confidential or privileged in the possession of the third party. Information received by the  
10 commissioner from any third party which is confidential or privileged in the third party's  
11 possession remains confidential or privileged in the commissioner's possession.

12       **SECTION 10. AMENDMENT.** Section 13-09-07 of the North Dakota Century Code is  
13 amended and reenacted as follows:

14       **13-09-07. Application for license.**

15       1. Each application for a license under this chapter must be ~~made in writing, and in a~~the  
16 form prescribed by the commissioner. Each application must state or contain:

17       1.a. For all applicants:

18               a.(1) The exact name of the applicant, the applicant's principal address, any  
19 fictitious or trade name used by the applicant in the conduct of its business,  
20 and the location of the applicant's business records.

21               b.(2) The history of the applicant's criminal convictions and material litigation for  
22 the five-year period before the date of the application.

23               c.(3) A description of the activities conducted by the applicant and a history of  
24 operations.

25               d.(4) A description of the business activities in which the applicant seeks to be  
26 engaged in the state.

27               e.(5) A list identifying the applicant's proposed authorized delegates in the state,  
28 if any, at the time of the filing of the license application.

29               f.(6) A sample authorized delegate contract, if applicable.

30               g.(7) A sample form of payment instrument, if applicable.



1           h.(8) The locations at which the applicant and its authorized delegates, if any,  
2           propose to conduct the licensed activities in the state.

3           i.(9) The name and address of the clearing bank or banks on which the  
4           applicant's payment instruments will be drawn or through which the  
5           payment instruments will be payable.

6       2.b. If the applicant is a corporation, the applicant must also provide:

7           a.(1) The date of the applicant's incorporation and state of incorporation.

8           b.(2) A certificate of good standing from the state in which the applicant was  
9           incorporated.

10          c.(3) A description of the corporate structure of the applicant, including the  
11          identity of any parent or subsidiary of the applicant, and the disclosure of  
12          whether any parent or subsidiary is publicly traded on any stock exchange.

13          d.(4) The name, business and residence address, and employment history for the  
14          past five years of the applicant's executive officers and the officers or  
15          managers who will be in charge of the applicant's activities to be licensed  
16          hereunder.

17          e.(5) The name, business and residence address, and employment history for the  
18          period five years prior to the date of the application of any key shareholder  
19          of the applicant.

20          f.(6) The history of criminal convictions and material litigation for the five-year  
21          period before the date of the application of every executive officer or key  
22          shareholder of the applicant.

23          g.(7) A copy of the applicant's most recent audited financial statement including  
24          balance sheet, statement of income or loss, statement of changes in  
25          shareholder equity, and statement of changes in financial position and, if  
26          available, the applicant's audited financial statements for the immediately  
27          preceding two-year period. However, if the applicant is a wholly owned  
28          subsidiary of another corporation, the applicant may submit either the parent  
29          corporation's consolidated audited financial statements for the current year  
30          and for the immediately preceding two-year period or the parent  
31          corporation's form 10K reports filed with the United States securities and

1 exchange commission for the prior three years in lieu of the applicant's  
2 financial statements. If the applicant is a wholly owned subsidiary of a  
3 corporation having its principal place of business outside the United States,  
4 similar documentation filed with the parent corporation's non-United States  
5 regulator may be submitted to satisfy this provision.

6 ~~h.(8)~~ Copies of all filings, if any, made by the applicant with the United States  
7 securities and exchange commission, or with a similar regulator in a country  
8 other than the United States, within the year preceding the date of filing of  
9 the application.

10 ~~3.c.~~ If the applicant is not a corporation, the applicant must also provide:

11 ~~a.(1)~~ The name, business and residence address, personal financial statement,  
12 and employment history, for the past five years, of each principal of the  
13 applicant and the name, business and residence address, and employment  
14 history for the past five years of any other person or persons who will be in  
15 charge of the applicant's activities to be licensed under this chapter;

16 ~~b.(2)~~ The place and date of the applicant's registration or qualification to do  
17 business in this state;

18 ~~c.(3)~~ The history of criminal convictions and material litigation for the five-year  
19 period before the date of the application for each individual having any  
20 ownership interest in the applicant and each individual who exercises  
21 supervisory responsibility with respect to the applicant's activities; and

22 ~~d.(4)~~ Copies of the applicant's audited financial statements including balance  
23 sheet, statement of income or loss, and statement of changes in financial  
24 position for the current year and, if available, for the immediately preceding  
25 two-year period.

26 ~~4.d.~~ For good cause shown, the commissioner may waive any requirement of this  
27 section with respect to any license application or to permit a license applicant to  
28 submit substituted information in its license application in lieu of the information  
29 required by this section.

30 2. To fulfill the purposes of this chapter, the commissioner may establish relationships or  
31 contracts with a nationwide multistate licensing system and registry or other entities

1 designated by a nationwide multistate licensing system and registry to collect and  
2 maintain records and process transaction fees or other fees related to licensees or  
3 other persons subject to the chapter. The applicant shall pay directly to such  
4 nationwide multistate licensing system any additional fee relating to participation in  
5 such nationwide multistate licensing system.

6 3. In connection with an application for licensing as a money transmitter, or any license  
7 renewals, the applicant shall furnish to the nationwide multistate licensing system  
8 information concerning the applicant's identity, which may include:

9 a. Fingerprints for submission to the federal bureau of investigation, and any  
10 governmental agency or entity authorized to receive such information for a state,  
11 national, and international criminal history background check;

12 b. Personal history and experience in a form prescribed by the nationwide multistate  
13 licensing system, including the submission of authorization for the nationwide  
14 multistate licensing system and the commissioner to obtain:

15 (1) An independent credit report obtained from a consumer reporting agency  
16 described in section 603(p) of the Fair Credit Reporting Act; and

17 (2) Information related to any administrative, civil, or criminal findings by any  
18 governmental jurisdiction; and

19 c. Any other documents, information, or evidence the commissioner deems relevant  
20 to the application regardless of the location, possession, control, or custody of  
21 such documents, information, or evidence.

22 4. For the purposes of this section and in order to reduce the points of contact which the  
23 federal bureau of investigation may have to maintain for purposes of subsection 3, the  
24 commissioner may use the nationwide multistate licensing system and registry as a  
25 channeling agent for requesting information from and distributing information to the  
26 department of justice or any governmental agency.

27 5. For the purposes of this section and in order to reduce the points of contact which the  
28 commissioner may have to maintain for purposes of subsection 3, the commissioner  
29 may use the nationwide multistate licensing system and registry as a channeling agent  
30 for requesting and distributing information to and from any source so directed by the  
31 commissioner.

1       **SECTION 11. AMENDMENT.** Section 13-09-10 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **13-09-10. Renewal of license and annual report.**

- 4       1. A licensee under this chapter shall pay an annual renewal fee of four hundred fifty  
5 dollars which is not subject to refund.
- 6       2. The renewal fee must be accompanied by a report, in a form prescribed by the  
7 commissioner, which must include:
  - 8       a. A copy of its most recent audited consolidated annual financial statement  
9 including balance sheet, statement of income or loss, statement of changes in  
10 shareholder's equity, and statement of changes in financial position, or, in the  
11 case of a licensee that is a wholly owned subsidiary of another corporation, the  
12 consolidated audited annual financial statement of the parent corporation may be  
13 filed in lieu of the licensee's audited annual financial statement;
  - 14       b. For the most recent quarter for which data is available before the date of the filing  
15 of the renewal application, but in no event more than one hundred twenty days  
16 before the renewal date, the licensee must provide the number of payment  
17 instruments sold by the licensee in the state, the dollar amount of those  
18 instruments, and the dollar amount of those instruments currently outstanding;
  - 19       c. Any material changes to any of the information submitted by the licensee on its  
20 original application which have not previously been reported to the commissioner  
21 on any other report required to be filed under this chapter;
  - 22       d. A list of the licensee's permissible investments; and
  - 23       e. A list of the locations, if any, within this state at which business regulated by this  
24 chapter is being conducted by either the licensee or its authorized delegates.
- 25       3. All licenses issued pursuant to this chapter expire on ~~June thirtieth~~December thirty-first  
26 of each year. Applications for renewal must be submitted thirty days before expiration  
27 of the license. A licensee that has not filed a renewal report or paid its renewal fee by  
28 ~~June thirtieth~~December thirty-first and has not been granted an extension of time to do  
29 so by the commissioner must have its license suspended. The licensee in such case  
30 has thirty days after its license is suspended in which to file a renewal report and pay  
31 the renewal fee, plus fifty dollars for each business day after suspension that the

1 commissioner does not receive the renewal report and the renewal fee. For good  
2 cause, the commissioner may grant an extension of the renewal date or reduce or  
3 suspend the fifty dollars per day late filing fee.

4 **SECTION 12.** A new section to chapter 13-09 of the North Dakota Century Code is created  
5 and enacted as follows:

6 **Automatic six-month extension of license during 2014 calendar year.**

7 All current licensees who have made payment of a fee in accordance with sections  
8 13-09-08 and 13-09-10, for a money transmitter license effective after July 1, 2013, shall be  
9 granted an extension of their current license until December 31, 2014. If at any time prior to  
10 December 31, 2014, a licensee's license expires or otherwise terminates under this chapter, the  
11 applicant shall be required to pay licensing fees in accordance with section 13-09-08, and that  
12 license will expire on December 31, 2014.

13 **SECTION 13.** A new section to chapter 13-09 of the North Dakota Century Code is created  
14 and enacted as follows:

15 **Confidentiality.**

16 To promote more effective regulation and reduce regulatory burden through supervisory  
17 information sharing, the commissioner or commissioner's designee may furnish information to  
18 or receive information from a nationwide multistate licensing system for the purpose of  
19 regulation of the financial services industry. Information furnished by the commissioner to any  
20 third party which is confidential or privileged in the commissioner's possession remains  
21 confidential or privileged in the possession of the third party. Information received by the  
22 commissioner from any third party which is confidential or privileged in the third party's  
23 possession remains confidential or privileged in the commissioner's possession.

24 **SECTION 14. AMENDMENT.** Section 13-11-03 of the North Dakota Century Code is  
25 amended and reenacted as follows:

26 **13-11-03. Application for license.**

27 1. Every application for a debt-settlement provider license, or for a renewal thereof, must  
28 be made upon forms designed and furnished in the form prescribed by the  
29 commissioner and must contain any information which the commissioner determines  
30 necessary and proper. The commissioner may require any application applicant to

1 provide additional information that is not requested on the application form. The  
2 applicant must register with the secretary of state if so required.

3 2. To fulfill the purposes of this chapter, the commissioner may establish relationships or  
4 contracts with a nationwide multistate licensing system and registry or other entities  
5 designated by a nationwide multistate licensing system and registry to collect and  
6 maintain records and process transaction fees or other fees related to licensees or  
7 other persons subject to the chapter. The applicant shall pay directly to such  
8 nationwide multistate licensing system any additional fee relating to participation in  
9 such nationwide multistate licensing system.

10 3. In connection with an application for licensing as a debt-settlement provider, or any  
11 license renewals, the applicant shall furnish to the nationwide multistate licensing  
12 system information concerning the applicant's identity, which may include:

- 13 a. Fingerprints for submission to the federal bureau of investigation, and any  
14 governmental agency or entity authorized to receive such information for a state,  
15 national, and international criminal history background check;  
16 b. Personal history and experience in a form prescribed by the nationwide multistate  
17 licensing system, including the submission of authorization for the nationwide  
18 multistate licensing system and the commissioner to obtain:  
19 (1) An independent credit report obtained from a consumer reporting agency  
20 described in section 603(p) of the Fair Credit Reporting Act; and  
21 (2) Information related to any administrative, civil, or criminal findings by any  
22 governmental jurisdiction; and  
23 c. Any other documents, information, or evidence the commissioner deems relevant  
24 to the application regardless of the location, possession, control, or custody of  
25 such documents, information, or evidence.

26 4. For the purposes of this section and in order to reduce the points of contact which the  
27 federal bureau of investigation may have to maintain for purposes of subsection 3, the  
28 commissioner may use the nationwide multistate licensing system and registry as a  
29 channeling agent for requesting information from and distributing information to the  
30 department of justice or any governmental agency.

1       5. For the purposes of this section and in order to reduce the points of contact which the  
2       commissioner may have to maintain for purposes of subsection 3, the commissioner  
3       may use the nationwide multistate licensing system and registry as a channeling agent  
4       for requesting and distributing information to and from any source so directed by the  
5       commissioner.

6       **SECTION 15.** A new section to chapter 13-11 of the North Dakota Century Code is created  
7 and enacted as follows:

8       **Confidentiality.**

9       To promote more effective regulation and reduce regulatory burden through supervisory  
10      information sharing, the commissioner or commissioner's designee may furnish information to  
11      or receive information from a nationwide multistate licensing system for the purpose of  
12      regulation of the financial services industry. Information furnished by the commissioner to any  
13      third party which is confidential or privileged in the commissioner's possession remains  
14      confidential or privileged in the possession of the third party. Information received by the  
15      commissioner from any third party which is confidential or privileged in the third party's  
16      possession remains confidential or privileged in the commissioner's possession.