

**HOUSE BILL NO. 1355**

Introduced by

Representative Clark

Senator Espegard

1 A BILL for an Act to amend and reenact sections 6-03-13.6, 6-08-29, 7-02-15, and 47-10.2-05  
2 of the North Dakota Century Code, relating to notice of mortgagee payment of interest on  
3 escrow account funds and statutory reference correction.

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

5 **SECTION 1. AMENDMENT.** Section 6-03-13.6 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **6-03-13.6. Branch conversions.** Notwithstanding section 6-03-13.1, any bank  
8 organized under chapter 6-02, any national bank doing business in this state, or a any bank  
9 established in this state by a any bank holding company doing business in this state as of  
10 January 1, 1995, may convert a branch of a federal savings and loan association located in this  
11 state which was in existence as of March 1, 1995, purchased by the bank between January 1,  
12 1995, and August 1, 1996, into a facility of the bank to be maintained at the same branch  
13 location if the acquisition and conversion does not violate the deposit limitations provisions  
14 contained in sections ~~6-08-29~~ 6-08-30 and 6-08.3-03.1 and the acquisition and conversion of  
15 the branch is approved by the appropriate regulatory agencies.

16 **SECTION 2. AMENDMENT.** Section 6-08-29 of the North Dakota Century Code is  
17 amended and reenacted as follows:

18 ~~**6-08-29. Interest on banking institution and credit union Annual escrow accounts**~~  
19 ~~**related to mortgages on residences—Rate payable account statement.**~~ Before the  
20 mortgage is executed by the mortgagor, each Each banking institution and credit union  
21 ~~intending to maintain~~ that maintains an escrow account for the payment of taxes, assessments,  
22 insurance premiums, and other charges upon the mortgagor's residence shall ~~notify the~~  
23 ~~mortgagor whether the institution or credit union offers interest on the escrow account funds.~~  
24 ~~Each banking institution and credit union that maintains an escrow account shall annually~~

1 furnish annually each mortgagor with a detailed statement showing all debits and credits to the  
2 escrow account ~~and the method used in computing the interest, if interest is offered.~~

3 **SECTION 3. AMENDMENT.** Section 7-02-15 of the North Dakota Century Code is  
4 amended and reenacted as follows:

5 **7-02-15. ~~Interest on savings and loan association~~ Annual escrow accounts**  
6 **~~related to mortgages on residences—Rate payable~~ account statement.** Before the  
7 mortgage is executed by the mortgagor, ~~every~~ Each savings and loan association ~~intending to~~  
8 ~~maintain~~ that maintains an escrow account for the payment of taxes, assessments, insurance  
9 premiums, and other charges upon the mortgagor's residence shall ~~notify the mortgagor~~  
10 ~~whether the association offers interest on the escrow account funds.~~ Each savings and loan  
11 ~~association that maintains an escrow account shall annually~~ furnish annually each mortgagor  
12 with a detailed statement showing all debits and credits to the escrow account ~~and the method~~  
13 ~~used in computing the interest, if interest is offered.~~

14 **SECTION 4. AMENDMENT.** Section 47-10.2-05 of the North Dakota Century Code is  
15 amended and reenacted as follows:

16 **47-10.2-05. ~~Interest on other~~ Annual escrow accounts related to mortgages on**  
17 **~~residences—Rate payable~~ account statement.** Before the mortgage is executed by the  
18 mortgagor, ~~every~~ Each residential mortgagee, including any insurance company ~~whose~~ with  
19 articles of incorporation ~~are~~ filed under section 26.1-01-03 or ~~who~~ which is required to obtain a  
20 certificate of authority under section 26.1-01-05, intending to maintain an escrow account for  
21 the payment of taxes, assessments, insurance premiums, and other charges upon the  
22 mortgagor's residence shall ~~notify the mortgagor whether it offers interest on the escrow~~  
23 ~~account funds.~~ The mortgagee shall annually furnish annually each mortgagor with a detailed  
24 statement showing all debits and credits to the account ~~and the method used in computing the~~  
25 ~~interest, if interest is offered.~~