

HOUSE BILL NO. 1141

Introduced by

Industry, Business and Labor Committee

(At the request of the Department of Financial Institutions)

1 A BILL for an Act to amend and reenact section 13-05-02 of the North Dakota Century Code,
2 relating to licensing of collection agencies.

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

4 **SECTION 1. AMENDMENT.** Section 13-05-02 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **13-05-02. Collection agency license required to collect claims.** Except as
7 otherwise herein provided, no person other than a collection agency licensed and authorized
8 under this chapter may advertise or solicit either in print, by letter, in person, or otherwise, the
9 right to collect or receive payment of any claim for another or sell or give away collection letters
10 as demand forms in the state of North Dakota. As used in this chapter, the term "collection
11 agency" does not include attorneys at law who are licensed to practice in the state of North
12 Dakota, licensed real estate brokers, banks, trust companies, building and loan associations,
13 credit unions, agencies of a state or of the federal government, abstract companies doing an
14 escrow business, creditors collecting their own debts, individuals or firms who purchase or take
15 accounts receivable for collateral purposes, individuals employed in the capacity of creditman
16 upon the staff of an employer not engaged in the business of a collection agency, or any public
17 officer, receiver, or trustee acting under the order of a court. A person may not be considered
18 to be engaged in collection activity within this state if that person's activities are limited to
19 collecting debts from debtors located in this state by means of interstate communications,
20 including telephone, mail, or facsimile transmission from the person's location in another state if
21 the person is licensed and bonded in that state and the state has enacted similar legislation.