

Introduced by

Industry, Business and Labor Committee

(At the request of the Department of Financial Institutions)

1 A BILL for an Act to create and enact sections 13-04.1-18, 13-08-16, and 13-11-31 of the North
2 Dakota Century Code, relating to the customer information of money brokers, deferred
3 presentment service providers, and debt-settlement providers; and to amend and reenact
4 sections 13-04.1-02.1, 13-04.1-04, 13-04.1-15, 13-05-04, 13-05-05.1, 13-09-03, and 13-09-07.1
5 of the North Dakota Century Code, relating to money broker licensing requirements and fees,
6 collection agency licensing requirements and fees, and money transmitter licensing
7 requirements.

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

9 **SECTION 1. AMENDMENT.** Section 13-04.1-02.1 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **13-04.1-02.1. Entities exempted from licensing requirements.**

12 This chapter does not apply to:

- 13 1. Banks;
- 14 2. Credit unions;
- 15 3. Savings and loan associations;
- 16 4. Insurance companies;
- 17 5. Individuals licensed under chapter 13-10;
- 18 6. State or federal agencies and their employees;
- 19 7. Institutions chartered by the farm credit administration;
- 20 8. Trust companies;
- 21 9. Any other person or business regulated and licensed to lend money by the state of
22 North Dakota;

1 10. A real estate broker, broker, or a real estate salesperson as defined in section
2 43-23-06.1 in the brokering of loans to assist a person in obtaining financing for real
3 estate sold by the real estate broker, broker, or real estate salesperson; or

4 11. Any person, retail seller, or manufacturer providing lease financing for its own property
5 or inventory held as a normal course of business, or to leases on any real property.

6 **SECTION 2. AMENDMENT.** Section 13-04.1-04 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **13-04.1-04. Fee to accompany application for money broker license.**

9 The application for license must be in writing, under oath, and in the form prescribed by the
10 commissioner. The application must give the location where the business is to be conducted
11 and must contain any further information the commissioner requires, including the names and
12 addresses of the partners, officers, directors, trustees, and the principal owners or members, as
13 will provide the basis for the investigation and findings contemplated by section 13-04.1-03. At
14 the time of making such application, the applicant shall include payment in the sum of four
15 hundred dollars, which is not subject to refund, as a fee for investigating the application, and the
16 sum of four hundred dollars for the annual license fee. In addition, the applicant must pay a fifty
17 dollar annual fee for each branch location ~~within the state~~. Fees must be deposited in the
18 financial institutions regulatory fund.

19 **SECTION 3. AMENDMENT.** Section 13-04.1-15 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **13-04.1-15. Change of name or address.**

22 A licensee is required to submit within twenty business days of the date of change
23 notification of a change of name or change of address. The notification must be in the form
24 prescribed by the commissioner. ~~In addition, the licensee shall submit the original license-~~
25 ~~certificate for reissue.~~

26 **SECTION 4.** Section 13-04.1-18 of the North Dakota Century Code is created and enacted
27 as follows:

28 **13-04.1-18. Disclosure of customer information.**

29 Except for provisions of chapter 6-08.1 which are inconsistent with this chapter, chapter
30 6-08.1 applies to all money brokers licensed under this chapter.

1 **SECTION 5. AMENDMENT.** Section 13-05-04 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **13-05-04. Application requirements - Fee to accompany application for collection**
4 **agency license.**

5 The application for a collection agency license must be in writing, under oath, and in the
6 form prescribed by the commissioner. The application must give the location where the
7 business is to be conducted and must contain any further information the commissioner
8 requires, including the names and addresses of the partners, officers, directors, trustees, and
9 the principal owners or members as will provide the basis for the investigation and findings
10 contemplated by section 13-05-03. At the time of making such application, the applicant shall
11 include payment in the sum of four hundred dollars, which is not subject to refund, as a fee for
12 investigating the application, and the sum of ~~three~~four hundred dollars for the annual license. In
13 addition, the applicant shall pay a fifty dollar annual fee for each branch location. Fees must be
14 deposited in the financial institutions regulatory fund.

15 **SECTION 6. AMENDMENT.** Section 13-05-05.1 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **13-05-05.1. Change of name or address.**

18 A licensee is required to submit within twenty business days of the date of change,
19 notification of a change of name or change of address. The notification must be in the form
20 prescribed by the commissioner. ~~In addition, the licensee shall submit the original license~~
21 ~~certificate for reissue.~~

22 **SECTION 7.** Section 13-08-16 of the North Dakota Century Code is created and enacted as
23 follows:

24 **13-08-16. Disclosure of customer information.**

25 Except for provisions of chapter 6-08.1 which are inconsistent with this chapter, chapter
26 6-08.1 applies to all persons licensed under this chapter.

27 **SECTION 8. AMENDMENT.** Section 13-09-03 of the North Dakota Century Code is
28 amended and reenacted as follows:

29 **13-09-03. Exclusions.**

30 This chapter does not apply to:

31 1. The United States or any department, agency, or instrumentality thereof;

- 1 2. The United States post office;
- 2 3. The state or any political subdivisions thereof;
- 3 4. Banks, bank holding companies, credit unions, building and loan associations, savings
- 4 and loan associations, or savings banks or mutual banks organized under the laws of
- 5 any state or the United States, ~~provided that they do not issue or sell payment-~~
- 6 ~~instruments through authorized delegates who are not banks, bank holding-~~
- 7 ~~companies, credit unions, building and loan associations, savings and loan-~~
- 8 ~~associations, savings banks, or mutual banks~~but this exemption does not extend to
- 9 any other person acting on behalf of any such excluded entity;
- 10 5. The provision of electronic transfer of government benefits for any federal, state, or
- 11 county governmental agency as defined in federal reserve board regulation E, by a
- 12 contractor for and on behalf of the United States or any department, agency, or
- 13 instrumentality thereof, or any state or any political subdivisions thereof; and
- 14 6. Authorized delegates of a licensee, acting within the scope of authority conferred by a
- 15 written contract as described in section 13-09-15.

16 **SECTION 9. AMENDMENT.** Section 13-09-07.1 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **13-09-07.1. Change of name or address.**

19 A licensee is required to submit within twenty business days of the date of change
20 notification of a change of name or change of address. The notification must be in the form
21 prescribed by the commissioner. ~~In addition, the licensee shall submit the original license-~~
22 ~~certificate for reissue.~~

23 **SECTION 10.** Section 13-11-31 of the North Dakota Century Code is created and enacted
24 as follows:

25 **13-11-31. Disclosure of customer information.**

26 Except for provisions of chapter 6-08.1 which are inconsistent with this chapter, chapter
27 6-08.1 applies to all debt-settlement providers licensed under this chapter.