

DEBTOR AND CREDITOR RELATIONSHIP

CHAPTER 161

HOUSE BILL NO. 1210
(Representatives Wald, Peltier)
(Senators Lodoen, Quail)

LATE PAYMENT CHARGE ON ACCOUNTS RECEIVABLE

AN ACT to create and enact two new sections to the North Dakota Century Code, relating to late payment charges of one and one-half percent on overdue accounts and the furnishing of periodic statements.

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

SECTION 1. LATE PAYMENT CHARGE ON ACCOUNTS RECEIVABLE. A creditor may charge, receive, and collect a late payment charge in an amount not to exceed one and one-half percent per month on all money due on account from thirty days after the obligation of the debtor to pay shall have been incurred. The late payment charge provided in this section may be charged only if at the time the obligation was incurred the creditor did not intend to extend any credit beyond thirty days and any late payment of the obligation was unanticipated. The provisions of this section shall not apply to money due on retail installment contracts, as defined in chapter 51-13; money due on revolving charge accounts, as defined in chapter 51-14; and money due on medical, hospital, and residential utility bills.

SECTION 2. PERIODIC STATEMENT TO BE FURNISHED TO DEBTOR. A creditor may charge the late payment charge provided for in section 1 only if he promptly supplies the debtor with a statement as of the end of each monthly period, or other regular period agreed upon by the creditor and the debtor, in which there is any unpaid balance. Such statement shall recite the following:

1. The percentage amount of the late payment charge which will be charged beginning thirty days after the obligation is incurred.
2. The unpaid balance at the end of the period.
3. An identification of any amount debited to the debtor's account during the period.

4. The payments made by the debtor to the creditor during the period.
5. The amount of the late payment charge.
6. A legend to the effect that the debtor may at any time pay the total unpaid balance.

The items need not be stated in the sequence or order set forth above. Additional items may be included to explain the computations made in determining the amount to be paid by the debtor.

Approved February 20, 1981

CHAPTER 162

HOUSE BILL NO. 1430
(Representatives Rued, Hedstrom, B. Larson)
(Senators Quail, Reiten)

CONSUMER FINANCE ACT LOAN MAXIMUM

AN ACT to amend and reenact section 13-03.1-03 and subsection 1 of section 13-03.1-15 of the North Dakota Century Code, relating to the maximum loan ceiling.

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

SECTION 1. AMENDMENT. Section 13-03.1-03 of the 1979 Interim Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

13-03.1-03. SCOPE. Persons licensed under the provisions of this chapter may engage in the business of lending in amounts of more than one thousand dollars and not more than ~~seven-thousand-five hundred~~ fifteen thousand dollars and contract for, exact, or receive, directly or indirectly, on or in connection with any such loan, any charges whether for interest, compensation, consideration, or expense, which in the aggregate are greater than that permitted by section 47-14-09. This chapter shall not apply to loans made under chapter 13-03, but persons licensed under that chapter may obtain licenses to make loans under this chapter.

* SECTION 2. AMENDMENT. Subsection 1 of section 13-03.1-15 of the 1979 Interim Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. Every licensee may make loans, including revolving loans, in any principal amount not less than one thousand dollars and not more than ~~seven--thousand-five-hundred~~ fifteen thousand dollars, and may contract for, receive, or collect on such loans, charges not in excess of one and one-half percent per month on the unpaid balance of principal. For the purpose of computing charges for a fraction of a month, whether at the maximum rate or less, every month shall be deemed to have thirty days and a day shall be considered one-thirtieth of a month.

Approved March 26, 1981

* NOTE: Subsection 1 of section 13-03.1-15 was repealed by section 3 of Senate Bill No. 2230, chapter 198.