

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE DRH70589-ROf-16 (03/31)

Short Title: Improve Regulation of Loan Brokers.

(Public)

Sponsors: Representative Ray.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THAT LOAN BROKERS BE REGISTERED WITH THE
SECRETARY OF STATE AND REQUIRE THE PAYMENT OF A
REGISTRATION FEE.

The General Assembly of North Carolina enacts:

SECTION 1. Article 20 of Chapter 66 is amended by adding a new section
to read:

"§ 66-106.1. Registration requirements for loan brokers.

(a) No loan broker, as defined in G.S. 66-106, shall engage in the business of making loans without first being registered with the Secretary of State in accordance with the procedure provided in this section.

(b) An application to become registered as a loan broker shall be in writing, under oath, and in such form as shall be prescribed by the Secretary of State. The application shall contain the name and complete business address of the applicant, or if the applicant is a partnership, association, corporation or other form of business organization, the names and complete business addresses of each member, director and principal officer thereof.

(c) The application shall also include an affirmation of financial solvency noting such capitalization requirements as may be required by the Secretary of State and such descriptions of the business activities, financial responsibility, educational background, and general character and fitness of the applicant as may be required by the Secretary of State.

(d) The application shall be accompanied by a fee, payable to the Secretary of State, in the amount of five hundred dollars (\$500.00)."

SECTION 2. This act becomes effective October 1, 2006.