

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

H

1

HOUSE BILL 2513

Short Title: Improve Regulation of Loan Brokers.

(Public)

Sponsors: Representatives Ray; and Faison.

Referred to: Finance.

May 25, 2006

1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE THAT LOAN BROKERS BE REGISTERED WITH THE
3 SECRETARY OF STATE AND REQUIRE THE PAYMENT OF A
4 REGISTRATION FEE.

5 The General Assembly of North Carolina enacts:

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

8 "**§ 66-106.1. Registration requirements for loan brokers.**

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

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

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

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

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