

CHAPTER 51-17.1

CURRENCY EXCHANGE BUSINESSES

51-17.1-01. Currency exchange - Penalty.

1. A nonbanking institution may engage in the business of a currency exchange if:
 - a. The institution does not contract with another person to manage the currency exchange business; however, this does not prohibit the business from employing individuals to operate a currency exchange business;
 - b. The institution displays in a prominent manner on the premises of the business the fees charged to exchange currency;
 - c. The maximum fees charged to exchange currency are limited to any direct cost of verification fees and:
 - (1) The greater of five percent of the face amount or five dollars, for cashing a draft, personal check, payroll check, traveler's check, or money order; and
 - (2) The greater of three percent of the face amount or five dollars, for cashing a state public assistance check or a federal social security check;
 - d. The institution does not accept money or currency for deposit or act as bailee or agent of persons to hold money or currency in escrow for others for any purpose; and
 - e. The institution does not exchange currency on the premises of a charitable gaming site.
2. For purposes of this section, "currency exchange" means cashing a check, draft, money order, or traveler's check or issuing a money order or traveler's check as an agent for another, for a fee. The term does not include providing these services incidental to a primary business if there is not a charge for cashing a check or draft.
3. This section does not authorize a business to make any type of loan, including a deferred presentment service transaction, payday loan, cash advance, payday cash advance, or motor vehicle title loan.
4. A nonbanking institution may not accept a postdated check in a currency exchange transaction.
5. A person violating this section is guilty of a class B misdemeanor.