

DISTRICT OF COLUMBIA
OFFICIAL CODE

TITLE 26.
BANKS AND OTHER FINANCIAL
INSTITUTIONS.

CHAPTER 9.
MONEY LENDERS; LICENSES.

2001 Edition

DISTRICT OF COLUMBIA OFFICIAL CODE
CHAPTER 9. MONEY LENDERS; LICENSES.

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CHAPTER 9. MONEY LENDERS; LICENSES.

§ 26-901. BUSINESSES REQUIRED TO PROCURE LICENSE AND PAY TAX; APPOINTMENT OF RESIDENT AGENT; SERVICE OF PROCESS OR NOTICE.

(a) It shall be unlawful and illegal to engage in the District of Columbia in the business of loaning money upon which a rate of interest greater than 6% per annum is charged on any security of any kind, direct or collateral, tangible or intangible, without procuring license; and all persons, firms, voluntary associations, joint-stock companies, incorporated societies, and corporations engaged in said business shall pay a license tax of \$500 per annum to the District of Columbia. No license shall be granted to any person, firm, or voluntary association unless such person and the members of any such firm or voluntary association shall be bona fide residents of the District of Columbia, and no license shall be granted for a period longer than 1 year, and no license shall be granted to any joint-stock company, incorporated society, or corporation unless and until such company, society, or corporation shall, in writing and in due form, to be first approved by and filed with the Mayor of the District of Columbia, appoint an agent, resident in the District of Columbia, upon whom all judicial and other process or legal notice directed to such company, society, or corporation may be served. And in the case of death, removal from the District, or any legal disability or disqualification of any such agent, service of such process or notice may be made upon the Director of the Department of Licenses, Investigation and Inspections of the District of Columbia.

(b) Any license issued pursuant to this section shall be issued as a Financial Services endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of Chapter 28 of Title 47 of the District of Columbia Official Code.

(Feb. 4, 1913, 37 Stat. 657, ch. 26, § 1; Mar. 3, 1917, 39 Stat. 1006, ch. 160; Apr. 20, 1999, D.C. Law 12-261, § 2003(r), 46 DCR 3142; Oct. 28, 2003, D.C. Law 15-38, § 3(q), 50 DCR 6913.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 26-701.

1973 Ed., § 26-601.

Effect of Amendments

D.C. Law 15-38, in subsec. (b), substituted "Financial Services endorsement to a basic business license under the basic" for "Class A Financial Services endorsement to a master business license under the master".

Emergency Act Amendments

For temporary (90 day) amendment of section, see § 3(q) of Streamlining Regulation Emergency Act of 2003 (D.C. Act 15-145, August 11, 2003, 50 DCR 6896).

Legislative History of Laws

Law 12-261, the "Second Omnibus Regulatory Reform Amendment Act of 1998," was introduced in Council and assigned Bill No. 12-845, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on December 1, 1998, and December 15, 1998, respectively. Signed by the Mayor on December 31, 1998, it was assigned Act No. 12-615 and transmitted to both Houses of Congress for its review. D.C. Law 12-261 became effective on April 20, 1999.

Law 15-38, the "Streamlining Regulation Act of 2003", was introduced in Council and assigned Bill No. 15-19, which was referred to Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on June 3, 2003, and July 8, 2003, respectively. Signed by the Mayor on August 11, 2003, it was assigned Act No. 15-146 and transmitted to both Houses of Congress for its review. D.C. Law 15-38 became effective on October 28, 2003.

Change in Government

This section originated at a time when local government powers were delegated to a Board of Commissioners of the District of Columbia (see Acts Relating to the Establishment of the District of Columbia

and its Various Forms of Governmental Organization in Volume 1). Section 401 of Reorganization Plan No. 3 of 1967 (see Reorganization Plans in Volume 1) transferred all of the functions of the Board of Commissioners under this section to a single Commissioner. The District of Columbia Self-Government and Governmental Reorganization Act, 87 Stat. 818, § 711 (D.C. Code, § 1-207.11), abolished the District of Columbia Council and the Office of Commissioner of the District of Columbia. These branches of government were replaced by the Council of the District of Columbia and the Office of Mayor of the District of Columbia, respectively. Accordingly, and also pursuant to § 714(a) of such Act (D.C. Code, § 1-207.14(a)), appropriate changes in terminology were made in this section.

Transfer of Functions

All functions of the Superintendent of Licenses were transferred to the Director of the Department of Economic Development by Commissioner's Order No. 69-96, dated March 7, 1969. The Department of Economic Development was replaced by the Department of Licenses, Investigation and Inspection by Mayor's Order No. 78-42, dated February 17, 1978.

The functions of the Department of Licenses, Investigations, and Inspections were transferred to the Department of Consumer and Regulatory Affairs by Reorganization Plan No. 1 of 1983, effective March 31, 1983.

§ 26-902. APPLICATIONS FOR LICENSE--CONTENTS; GRANT; NOTICE OF FILING; PROTEST AND HEARING; POWER TO REJECT.

Applications for license to conduct such business must be made in writing to the Mayor of the District of Columbia, and shall contain the full names and addresses of applicants, if natural persons, and in the case of firms and voluntary associations, the full names and addresses of all the members thereof, and in the case of joint-stock companies, incorporated societies, and corporations, the full names and addresses of the officers and directors thereof and under what law or laws organized or incorporated, and the place where such business is to be conducted, and such other information as the said Mayor may require. Every license granted shall date from the 1st of the month in which it is issued and expire on the 31st day of the following October, and such license shall be kept conspicuously displayed in the place of business of the licensee. Every application shall be filed not less than 30 days prior to the granting of such license, and notice of the filing of such application shall be posted in the office of the Director of the Department of Licenses, Investigation and Inspections of the said District and be published twice a week for 3 successive weeks in a daily newspaper published in the District of Columbia. Protest may be made by any person to the issuing of such license, and when such protests are filed with the said Mayor the latter shall give public notice of and hold a public hearing upon such protests before issuing such license. The said Mayor shall have the power to reject any application for license after a hearing upon such protest or for failure on the part of the applicant to observe this chapter, or when such applicant shall have violated its provisions.

(Feb. 4, 1913, 37 Stat. 657, ch. 26, § 2; Mar. 3, 1917, 39 Stat. 1006, ch. 160.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 26-702.

1973 Ed., § 26-602.

Change in Government

This section originated at a time when local government powers were delegated to a Board of Commissioners of the District of Columbia (see Acts Relating to the Establishment of the District of Columbia and its Various Forms of Government Organization in Volume 1). Section 401 of Reorganization Plan No. 3 of 1967 (see Reorganization Plans in Volume 1) transferred all of the functions of the Board of Commissioners under this section to a single Commissioner. The District of Columbia Self-Government and Governmental Reorganization Act, 87 Stat. 818, § 711 (D.C. Code, § 1-207.11), abolished the District of Columbia Council and the Office of Commissioner of the District of Columbia. These branches of government were replaced by the Council of the District of Columbia and the Office of Mayor of the District of Columbia, respectively. Accordingly, and also pursuant to § 714(a) of such Act (D.C. Code, § 1-207.14(a)), appropriate changes in terminology were made in this section.

Transfer of Functions

All functions of the Superintendent of Licenses were transferred to the Director of the Department of Economic Development by Commissioner's Order No. 69-96, dated March 7, 1969. The Department of Economic Development was replaced by the Department of Licenses, Investigation and Inspection by Mayor's Order No. 78-42, dated February 17, 1978.

§ 26-903. APPLICATIONS FOR LICENSE--BOND; ACTIONS THEREON; USE OF CERTIFIED COPY; RENEWAL AND REFILEING.

Each application shall be accompanied by a bond to the District of Columbia in the penal sum of \$5,000, with 2 or more sufficient sureties, and conditioned that the obligor will not violate any law relating to such business. The execution of any such bond by a fidelity or surety company authorized by the laws of the United States to transact business therein shall be equivalent to the execution thereof by 2 sureties, and such company, if excepted to, shall justify in the manner required by law of fidelity and surety companies. If any person shall be aggrieved by the misconduct of any such licensed person, firm, voluntary association, joint-stock company, incorporated society, or corporation, or by his, their, or its violation of any law relating to such business, and shall recover a judgment therefor, such person or his personal representative or heirs or distributees may, after a return unsatisfied either in whole or in part of any execution issued upon such judgment, maintain an action in his own name upon such bond herein required in any court having jurisdiction of the amount claimed. The Mayor of the District of Columbia shall furnish to anyone applying therefor a certified copy of any such bond filed with him, upon the payment of a fee of \$.25, and such certified copy shall be prima facie evidence in any court that such bond was duly executed and delivered by the person, firm, voluntary association, joint-stock company, incorporated society, or corporation whose names appear thereon. Said bond shall be renewed and refiled annually in October of each year, or the licensed person, firm, voluntary association, joint-stock company, incorporated society, or corporation shall within 30 days thereafter, cease doing business, and their license shall be revoked by the said Mayor, but said bond until renewed and refiled as aforesaid shall be and remain in full force and effect. The Mayor may waive the bonding requirements of this section, if alternative surety arrangements are secured, in cases involving parties specified in § 26-910.

(Feb. 4, 1913, 37 Stat. 658, ch. 26, § 3; Apr. 9, 1997, D.C. Law 11-171, § 2(a), 43 DCR 4484.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 26-703.

1973 Ed., § 26-603.

Emergency Act Amendments

For temporary amendment of section, see § 2(a) of the Community Development Corporations Money Lender License Tax Exemption Congressional Recess Emergency Amendment Act of 1996 (D.C. Act 11-399, October 9, 1996, 43 DCR 5695), § 2(a) of the Community Development Corporations Money Lender License Tax Exemption Congressional Review Emergency Amendment Act of 1996 (D.C. Act 11-473, December 30, 1996, 44 DCR 195), and § 2(a) of the Community Development Corporations Money Lender License Tax Exemption Congressional Review Emergency Amendment Act of 1997 (D.C. Act 12-54, March 31, 1997, 44 DCR 2216).

Legislative History of Laws

Law 11-171, the "Community Development Corporations Money Lender License Tax Exemption Amendment Act of 1996," was introduced in Council and assigned Bill No. 11-473, which was referred to the Committee on Economic Development. The Bill was adopted on first and second readings on June 4, 1996, and July 3, 1996, respectively. Signed by the Mayor on July 19, 1996, it was assigned Act No. 11-318 and transmitted to both Houses of Congress for its review. D.C. Law 11-171 became effective on April 9, 1997.

Change in Government

This section originated at a time when local government powers were delegated to a Board of Commissioners of the District of Columbia (see Acts Relating to the Establishment of the District of Columbia and its Various Forms of Governmental Organization in Volume 1). Section 401 of Reorganization Plan No. 3 of 1967 (see Reorganization Plans in Volume 1) transferred all of the functions of the Board of Commissioners under this section to a single Commissioner. The District of Columbia Self-Government and Governmental Reorganization Act, 87 Stat. 818, § 711 (D.C. Code, § 1-207.11), abolished the District of Columbia Council and the Office of Commissioner of the District of Columbia. These branches of government were replaced by the Council of the District of Columbia and the Office of Mayor of the District of Columbia, respectively. Accordingly, and also pursuant to § 714(a) of such Act (D.C. Code, § 1-207.14(a)), appropriate changes in terminology were made in this section.

§ 26-904. REGISTER TO BE KEPT; CONTENTS; INSPECTION; ANNUAL STATEMENTS.

Every person, firm, voluntary association, joint-stock company, incorporated society, or corporation conducting such business shall keep a register, approved by said Mayor, showing in English, the amount of money loaned, the date when loaned and when due, the person to whom loaned, the property or thing

named as security for the loan, where the same is located and in whose possession, the amount of interest, all fees, commissions, charges, and renewals charged, under whatever name. Such register shall be open for inspection to the said Mayor, his officers and agents, on every day, except Sundays and legal holidays, between the hours of 9:00 in the forenoon and 5:00 in the afternoon. Every such person, firm, voluntary association, joint-stock company, incorporated society, or corporation conducting such business shall, on or before the 20th day of January of each year, make to the said Mayor an annual statement in the form of a trial balance of its books on the 31st day of December in each year, specifying the different kinds of its liabilities and the different kinds of its assets, stating the amount of each, together with such other information as may be called for.

(Feb. 4, 1913, 37 Stat. 658, ch. 26, § 4.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 26-704.

1973 Ed., § 26-604.

Change in Government

This section originated at a time when local government powers were delegated to a Board of Commissioners of the District of Columbia (see Acts Relating to the Establishment of the District of Columbia and its Various Forms of Governmental Organization in Volume 1). Section 401 of Reorganization Plan No. 3 of 1967 (see Reorganization Plans in Volume 1) transferred all of the functions of the Board of Commissioners under this section to a single Commissioner. The District of Columbia Self-Government and Governmental Reorganization Act, 87 Stat. 818, § 711 (D.C. Code, § 1-207.11), abolished the District of Columbia Council and the Office of Commissioner of the District of Columbia. These branches of government were replaced by the Council of the District of Columbia and the Office of Mayor of the District of Columbia, respectively. Accordingly, and also pursuant to § 714(a) of such Act (D.C. Code, § 1-207.14(a)), appropriate changes in terminology were made in this section.

§ 26-905. MAXIMUM RATE OF INTEREST; FEES AND CHARGES COVERED; DEDUCTION FROM PRINCIPAL PROHIBITED; STATEMENT AND RECEIPTS FURNISHED BORROWER; AMOUNT OF LOANS; VIOLATIONS.

No such person, firm, voluntary association, joint-stock company, incorporated society, or corporation shall charge or receive a greater rate of interest upon any loan made by him or it that exceeds the lawful rate in the District of Columbia set by Chapter 33 of Title 28 on the actual amount of the loan, and this charge shall cover all fees, expenses, demands, and services of every character, including notarial and recording fees and charges, except upon the foreclosure of the security. The foregoing interest shall not be deducted from the principal of loan when same is made. Every such person, firm, voluntary association, joint-stock company, incorporated society, or corporation conducting such business shall furnish the borrower a written, typewritten, or printed statement at the time the loan is made, showing, in English, in clear and distinct terms, the amount of the loan, the date when loaned and when due, the person to whom the loan is made, the name of the lender, the amount of interest charged, and the lender shall give the borrower a plain and complete receipt for all payments made on account of the loan at the time such payments are made. No such loan greater than \$200 shall be made to any 1 person; provided, that any person contracting, directly or indirectly, for, or receiving a greater rate of interest than that fixed in this chapter, shall forfeit all interest so contracted for or received; and in addition thereto shall forfeit to the borrower a sum of money, to be deducted from the amount due for principal, equal to one-fourth of the principal sum; and provided further, that any person in the employ of the government who shall loan money in violation of the provisions of this chapter shall forfeit his office or position, and be removed from the same.

(Feb. 4, 1913, 37 Stat. 659, ch. 26, § 5; Feb. 24, 1987, D.C. Law 6-188, § 2(a), 33 DCR 7687.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 26-705.

1973 Ed., § 26-605.

Legislative History of Laws

Law 6-188, the "Money Lenders Licensing Amendment Act of 1986," was introduced in Council and assigned Bill No. 6-203, which was referred to the Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on November 5, 1986 and November 18, 1986, respectively. Signed by the Mayor on November 25, 1986, it was assigned Act No. 6-239 and transmitted to both Houses of Congress for its review.

§ 26-906. COMPLAINTS; INVESTIGATION; SUSPENSION, REVOCATION, OR DENIAL OF LICENSE.

Any complaint against a licensee or applicant shall be made in writing to the Mayor and the Mayor, on the basis of a written complaint or his or her initiative, may conduct an investigation. Pursuant to the investigation, the Mayor may suspend, revoke, or deny a license to any applicant or licensee who violates the provisions of this chapter. Before suspending, revoking, or denying a license, the Mayor shall notify the applicant or licensee of his or her right to a hearing pursuant to § 2-509.

(Feb. 4, 1913, 37 Stat. 659, ch. 26, § 6; Feb. 24, 1987, D.C. Law 6-188, § 2(b), 33 DCR 7687.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 26-706.

1973 Ed., § 26-606.

Legislative History of Laws

For legislative history of D.C. Law 6-188, see Historical and Statutory Notes following § 26-905.

§ 26-907. VIOLATIONS.

(a) A person violating any provision of this chapter shall, upon conviction, be fined \$300, imprisoned for not less than 30 days or more than 90 days, or both. In addition, the court may order any person violating this chapter to make restitution for the value of property illegally obtained as a result of the violation. Prosecutions for violations of this chapter or any rules issued pursuant to this chapter shall be conducted in the Superior Court of the District of Columbia by the Corporation Counsel or any of his or her assistants in the name of the District of Columbia.

(b) Civil fines, penalties, and fees may be imposed as alternative sanctions for any infraction of the provisions of this chapter, or any rules or regulations issued under the authority of this chapter, pursuant to Chapter 18 of Title 2. Adjudication of any infraction of this chapter shall be pursuant to Chapter 18 of Title 2.

(Feb. 4, 1913, 37 Stat. 659, ch. 26, § 7; Oct. 5, 1985, D.C. Law 6-42, § 466, 32 DCR 4450; Feb. 24, 1987, D.C. Law 6-188, § 2(c), 33 DCR 7687; Mar. 8, 1991, D.C. Law 8-237, § 5, 38 DCR 314.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 26-707.

1973 Ed., § 26-607.

Legislative History of Laws

Law 6-42, the "Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985," was introduced in Council and assigned Bill No. 6-187, which was referred to the Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on June 25, 1985, and July 9, 1985, respectively. Signed by the Mayor on July 16, 1985, it was assigned Act No. 6-60 and transmitted to both Houses of Congress for its review.

For legislative history of D.C. Law 6-188, see Historical and Statutory Notes following § 26-905.

Law 8-237, the "Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985 Technical and Clarifying Amendments Act of 1990," was introduced in Council and assigned Bill No. 8-203, which was referred to the Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on December 4, 1990, and December 18, 1990, respectively. Signed by the Mayor on December 27, 1990, it was assigned Act No. 8-320 and transmitted to both Houses of Congress for its review.

§ 26-908. FEES ALLOWED ON FORECLOSURE.

In any foreclosure on any loan made under this chapter no charges for attorneys' or agents' fees shall be made or collected which will exceed 10% of the amount found due in such foreclosure proceedings.

(Feb. 4, 1913, 37 Stat. 660, ch. 26, § 8.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 26-708.

1973 Ed., § 26-608.

§ 26-909. PENALTY PROVISIONS IN CONTRACTS PROHIBITED.

In any contract made in pursuance of the provisions of this chapter it shall be unlawful to incorporate any provision for liquidated or other damages as a penalty for any default or forfeiture thereunder.

(Feb. 4, 1913, 37 Stat. 660, ch. 26, § 9.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 26-709.

1973 Ed., § 26-609.

§ 26-910. EXEMPTION OF CERTAIN PERSONS AND BUSINESSES; SERVICE OF PROCESS THEREUPON.

(a) Nothing contained in this chapter shall be held to apply to the legitimate business of national banks, licensed bankers, licensed mortgage brokers, licensed mortgage lenders, any person exempt from licensure under § 26-1102 if the activity involves making or brokering a mortgage, trust companies, savings banks, building and loan associations, small business investment companies licensed and operating under the Small Business Investment Act of 1958, or to life insurance companies. As used in this section the term "life insurance companies" means and includes any life insurance company authorized to do business in the District of Columbia pursuant to Chapters 42 to 47 of Title 31 and any other life insurance company which has a valid, current license to do business as such in any state of the United States.

(b) Any person or any legal entity exempted from the provisions of this chapter by such subsection (a) of this section making loans secured on real or personal property in the District of Columbia who or which does not maintain an office for doing business in the District of Columbia or a residence in said District where such person or legal entity may be served with process in any suit arising out of any such transaction or in connection with such property shall appoint and maintain at all times in the District of Columbia a resident agent upon whom process may be served in any such suit, and shall register with the Mayor of the District of Columbia or with his designee the name and address of such resident agent. Any such person or legal entity which fails to appoint and maintain at all times in the District of Columbia such resident agent shall not, while such failure continues, be entitled to the exemption provided in this section. Whenever any such person or entity does not have in the District of Columbia an agent for service of process or such agent cannot with reasonable diligence be found at his registered address, then the said Mayor or his designee shall be the agent for the service of process for such person or entity. Service of process on the Mayor or his designee shall be made by delivering to, and leaving with him, or with any person having charge of his office, or with his designee, duplicate copies of the process accompanied by a fee in the amount of \$2 and such service shall be sufficient service upon such person or entity. In the event of such service, the Mayor, or his designee, shall immediately cause one of such copies to be forwarded by registered or certified mail, addressed to such person or entity at his or its address, as such address appears on the records of the Mayor or his designee. Any such service shall be returnable in not less than 30 days unless the rules of the court issuing such process prescribe another period, in which case such prescribed period shall govern. Nothing contained in this section shall limit or affect the right to serve any process, notice, or demand required or permitted by law to be served on any such person or entity in any other manner now or hereafter permitted by law.

(c) For the purposes of this section, the term:

(1) "Community Development Corporation" or "CDC" means any community development corporation recognized by, and under contract with, the District of Columbia Department of Housing and Community Development (or any successor agency) that is engaged in business and economic development activities in the form of making microloans through the use of funds loaned to them by nationally or locally chartered banks or financial institutions for the specific purpose of microlending, and which organization is organized under Chapter 4 of Title 29, and whose articles of incorporation and bylaws are consistent with rules and regulations issued by the Mayor of the District of Columbia pursuant to subchapter IV of Chapter 12 of Title 2.

(2) "Microloans" or "microlending" means a CDC engaging in the practice of making or issuing any loans up to, and including, \$25,000 to any person engaged in business within the District of Columbia.

(3) "Person" means any natural person, partnership, limited partnership, or corporation, including corporations taxed under Subchapter S of the Internal Revenue Code.

(d) No money lender license tax contained in this chapter shall be held to apply to a CDC engaged in microlending where the funds used for the microlending program were loaned to the CDC by a nationally or locally chartered bank or financial institution for the specific purpose of microlending, provided that the CDC operates and makes loans only in the geographical service area defined in their agreements with the District of Columbia Department of Housing and Community Development.

(Feb. 4, 1913, 37 Stat. 660, ch. 26, § 10; June 11, 1960, 74 Stat. 196, Pub. L. 86-502, § 7; Dec. 5, 1963, 77 Stat. 344, Pub. L. 88-191, § 1; Feb. 24, 1987, D.C. Law 6-188, § 2(d), 33 DCR 7687; Sept. 9, 1996, D.C. Law 11-155, § 23(a), 43 DCR 4213; Apr. 9, 1997, D.C. Law 11-171, § 2(b), 43 DCR 4484; June 6, 1998, D.C. Law 12-116, § 4, 45 DCR 1959; July 2, 2011, D.C. Law 18-378, § 3(h), 58 DCR 1720.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 26-710.

1973 Ed., § 26-610.

Effect of Amendments

D.C. Law 18-378, in subsec. (c)(1), substituted "Chapter 4 of Title 29 " for "subchapter I of Chapter 3 of Title 29".

Temporary Amendments of Section

Section 4 of D.C. Law 12-3 inserted "any person exempt from licensure under § 26-1002 [1981 Ed.] if the activity involves making or brokering a mortgage" in the first sentence in (a).

Section 6(b) of D.C. Law 12-3 provides that the act shall expire after 225 days of its having taken effect.

Section 4 of D.C. Law 12-101 inserted "any person exempt from licensure under § 26-1002 [1981 Ed.] if the activity involves making or brokering a mortgage" in the first sentence in (a).

Section 6(b) of D.C. Law 12-101 provides that the act shall expire after 225 days of its having taken effect.

Emergency Act Amendments

For temporary amendment of section, see § 2 of the Community Development Corporations Money Lender License Exemption Emergency Amendment Act of 1995 (D.C. Act 11-145, October 23, 1995, 42 DCR 6046) and § 2 of the Community Development Corporations Money Lender Licensing Fee and Bonding Exemption Legislative Review Emergency Amendment Act of 1996 (D.C. Act 11-184, January 23, 1996, 43 DCR 378).

For temporary amendment of section, see § 2(b) of the Community Development Corporations Money Lender License Tax Exemption Congressional Recess Emergency Amendment Act of 1996 (D.C. Act 11-399, October 9, 1996, 43 DCR 5695), § 2(b) of the Community Development Corporations Money Lender License Tax Exemption Congressional Review Emergency Amendment Act of 1996 (D.C. Act 11-473, December 30, 1996, 44 DCR 195), and § 2(b) of the Community Development Corporations Money Lender License Tax Exemption Congressional Review Emergency Amendment Act of 1997 (D.C. Act 12-54, March 31, 1997, 44 DCR 2216).

For temporary amendment of section, see § 4 of the Mortgage Lender and Broker Act of 1996 Emergency Amendment Act of 1997 (D.C. Act 12-23, March 3, 1997, 44 DCR 1773), § 4 of the Mortgage Lender and Broker Act of 1996 Emergency Amendment Act of 1997 (D.C. Act 12-245, January 13, 1998, 45 DCR 656), and § 4 of the Mortgage Lender and Broker Act of 1996 Congressional Review Emergency Amendment Act of 1998 (D.C. Act 12-308, March 20, 1998, 45 DCR 1920).

Legislative History of Laws

For legislative history of D.C. Law 6-188, see Historical and Statutory Notes following § 26-905.

Law 11-97, the "Community Development Corporations Money Lender Licensing Fee and Bonding Exemption Temporary Amendment Act of 1995," was introduced in Council and assigned Bill No. 11-460. The Bill was adopted on first and second readings on October 10, 1995, and December 5, 1995, respectively. Signed by the Mayor on December 27, 1995, it was assigned Act No. 11-180 and transmitted to both Houses of Congress for its review. D.C. Law 11-97 became effective on March 5, 1996.

Law 11-155, the "Mortgage Lender and Broker Act of 1996," was introduced in Council and assigned Bill No. 11-637, which was referred to the Committee on Economic Development. The Bill was adopted on first and second readings on May 7, 1996, and June 4, 1996, respectively. Signed by the Mayor on June 19, 1996, it was assigned Act No. 11-309 and transmitted to both Houses of Congress for its review. D.C. Law 11-155 became effective on September 9, 1996.

For legislative history of D.C. Law 11-171, see Historical and Statutory Notes following § 26-903.

Law 12-3, the "Mortgage Lender and Broker Act of 1996 Temporary Amendment Act of 1997," was introduced in Council and assigned Bill No. 12-82. The Bill was adopted on first and second readings on February 4, 1997, and March 4, 1997, respectively. Signed by the Mayor on March 19, 1997, it was assigned

Act No. 12-45 and transmitted to both Houses of Congress for its review. D.C. Law 12-3 became effective on May 23, 1997.

Law 12-101, the "Mortgage Lender and Broker Act of 1996 Temporary Amendment Act of 1998," was introduced in Council and assigned Bill No. 12-475. The Bill was adopted on first and second readings on December 4, 1997, and January 6, 1998, respectively. Signed by the Mayor on January 27, 1998, it was assigned Act No. 12-277 and transmitted to both Houses of Congress for its review. D.C. Law 12-101 became effective on April 30, 1998.

Law 12-116, the "Mortgage Lender and Broker Act of 1996 Amendment Act of 1998," was introduced in Council and assigned Bill No. 12-426, which was referred to the Committee on Economic Development. The Bill was adopted on first and second readings on February 3, 1998, and March 3, 1998, respectively. Signed by the Mayor on March 17, 1998, it was assigned Act No. 12-313 and transmitted to both Houses of Congress for its review. D.C. Law 12-116 became effective on June 6, 1998.

For history of Law 18-378, see notes under § 26-201.

References in Text

The Small Business Investment Act of 1958, referred to in the first sentence of subsection (a) of this section, is the Act of August 21, 1958, 72 Stat. 689, Pub. L. 85-699 and is codified in various sections of Titles 12, 15, and 18 of the United States Code.

Change in Government

This section originated at a time when local government powers were delegated to a Board of Commissioners of the District of Columbia (see Acts Relating to the Establishment of the District of Columbia and its Various Forms of Governmental Organization in Volume 1). Section 401 of Reorganization Plan No. 3 of 1967 (see Reorganization Plans in Volume 1) transferred all of the functions of the Board of Commissioners under this section to a single Commissioner. The District of Columbia Self-Government and Governmental Reorganization Act, 87 Stat. 818, § 711 (D.C. Code, § 1-207.11), abolished the District of Columbia Council and the Office of Commissioner of the District of Columbia. These branches of government were replaced by the Council of the District of Columbia and the Office of Mayor of the District of Columbia, respectively. Accordingly, and also pursuant to § 714(a) of such Act (D.C. Code, § 1-207.14(a)), appropriate changes in terminology were made in this section.

§ 26-911. ENFORCEMENT; RULES AND REGULATIONS.

The enforcement of this chapter shall be intrusted to the Mayor of the District of Columbia, and the Council of the District of Columbia is hereby authorized and empowered to make all rules and regulations necessary in its judgment for the conduct of such business and the enforcement of this chapter in addition hereto and not inconsistent herewith.

(Feb. 4, 1913, 37 Stat. 660, ch. 26, § 11.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 26-711.

1973 Ed., § 26-611.

Change in Government

This section originated at a time when local government powers were delegated to a Board of Commissioners of the District of Columbia (see Acts Relating to the Establishment of the District of Columbia and its Various Forms of Governmental Organization in Volume 1). Section 402(224) of Reorganization Plan No. 3 of 1967 (see Reorganization Plans in Volume 1) transferred all of the functions of the Board of Commissioners under this section to the District of Columbia Council, subject to the right of the Commissioner as provided in § 406 of the Plan. The District of Columbia Self-Government and Governmental Reorganization Act, 87 Stat. 818, § 711 (D.C. Code, § 1-207.11), abolished the District of Columbia Council and the Office of Commissioner of the District of Columbia. These branches of government were replaced by the Council of the District of Columbia and the Office of Mayor of the District of Columbia, respectively. Accordingly, and also pursuant to § 714(a) of such Act (D.C. Code, § 1-207.14(a)), appropriate changes in terminology were made in this section.

§ 26-912. EXEMPTION OF CERTAIN LOANS; SEVERABILITY.

(a) No provision of this chapter shall apply with respect to any loan, or to the making of any loan:

(1) To any corporation which is unable to plead any statutes against usury in any action;

- (2) Repealed;
- (3) Secured on real estate located outside of the District of Columbia;
- (4) To a borrower residing, doing business, or incorporated outside of the District of Columbia; or
- (5) Greater than \$25,000.

(b) If any provision of this section or the application thereof to any person or circumstance, is held invalid, the remainder of the section, and the application of such provision to other persons or circumstances shall not be affected thereby.

(Feb. 4, 1913, ch. 26, § 14; Dec. 17, 1971, 85 Stat. 679, Pub. L. 92-200, § 9(a); Feb. 24, 1987, D.C. Law 6-188, § 2(e), (f), 33 DCR 7687.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 26-712.

1973 Ed., § 26-612.

Legislative History of Laws

For legislative history of D.C. Law 6-188, see Historical and Statutory Notes following § 26-905.