

State of Arizona  
House of Representatives  
Forty-second Legislature  
Second Regular Session  
1996

**FILED**

**Jane Dee Hull  
Secretary of State**

CHAPTER 79

**HOUSE BILL 2054**

AN ACT

AMENDING SECTIONS 13-812, 13-813, 13-818, 13-819 AND 13-820, ARIZONA REVISED STATUTES; RELATING TO CRIMINAL GARNISHMENT.

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 13-812, Arizona Revised Statutes, is amended to read:

13-812. Garnishment for nonpayment of fines, fees, restitution or incarceration costs

A. After a hearing on an order to show cause pursuant to section 13-810, subsection A or after a hearing on a petition to revoke probation pursuant to section 13-804, subsection D or the rules of criminal procedure, the court may issue a writ of criminal garnishment for any fine, fee, restitution or incarceration costs.

B. The court may order garnishment for monies that are owed to a victim or the court, the clerk of the court or the ~~county~~ PROSECUTING attorney pursuant to a court order to pay any fine, fee, restitution or incarceration costs. A writ of criminal garnishment applies to any of the following:

1. The defendant's earnings as defined in section 12-1598.
2. Indebtedness that is owed to a defendant by a garnishee for amounts that are not earnings.
3. Monies that are held by a garnishee on behalf of a defendant.
4. The defendant's personal property that is in the possession of a garnishee.



1 evidencing the indebtedness is carried at an office or branch other than the  
2 office or branch named in the writ and at which service is made or, as to  
3 credits or other effects in its possession or under its control, at any other  
4 office or branch unless the service of the writ is accompanied by twenty-five  
5 dollars to be paid to the garnishee for the costs of the search. The writ  
6 is effective on the payment of the search fee as to any debt owing by a  
7 banking corporation or association, savings bank, savings and loan  
8 association, credit union, trust company or title insurance company if the  
9 account evidencing the indebtedness is carried at any office or branch  
10 located in this state, or as to any credits, property or other effects in its  
11 possession or under its control, at any office or branch located in this  
12 state.

13 Sec. 3. Section 13-818, Arizona Revised Statutes, is amended to read:  
14 13-818. Order on writ of garnishment for money or property

15 A. If the garnishee's answer shows that the garnishee holds  
16 indebtedness or monies of the defendant, the court shall enter an order of  
17 criminal garnishment that requires the garnishee to immediately transfer the  
18 indebtedness or monies to the victim or to the court, the clerk of the court  
19 or the ~~county~~ PROSECUTING attorney who is named in the writ of garnishment.

20 B. If the garnishee's answer shows that the garnishee holds personal  
21 property or stock of the defendant, the court shall enter an order against  
22 the garnishee to hold the personal property or stock of the defendant pending  
23 service of a writ of special execution pursuant to section 12-1554.

24 C. The party who obtains the writ of garnishment shall deliver a copy  
25 of the order on the writ to the garnishee and the defendant.

26 D. An order that is entered pursuant to subsection A or B of this  
27 section shall not order more money, stocks or property transferred than is  
28 reasonably necessary to satisfy the amount of the outstanding balance of the  
29 underlying criminal restitution order.

30 E. A bank deposit made in the name of two or more persons is subject  
31 to garnishment pursuant to section 12-1595, except that "judgment creditor"  
32 includes a victim or the court, the clerk of the court or the ~~county~~  
33 PROSECUTING attorney that obtains the writ of garnishment and "judgment  
34 debtor" includes a criminal defendant.

35 Sec. 4. Section 13-819, Arizona Revised Statutes, is amended to read:  
36 13-819. Order on writ of garnishment for earnings; continuing

37 lien

38 A. The party who obtains the writ of garnishment for earnings shall  
39 deliver a copy of the order on the writ to the garnishee and the defendant.

40 B. After service or delivery of the order is made, section 12-1598.10  
41 applies, except that "judgment ~~debtor~~ CREDITOR" includes a victim or the  
42 court, the clerk of the court or the ~~county~~ PROSECUTING attorney that obtains  
43 the writ of garnishment and "judgment debtor" includes a criminal defendant.

1 C. Section 12-1598.12 applies to continuing liens for writs of  
2 criminal garnishment. Section 12-1598.12 applies to reporting by the party  
3 obtaining the writ of criminal garnishment, except that "judgment creditor"  
4 includes a victim or the court, the clerk of the court or the ~~county~~  
5 PROSECUTING attorney that obtains the writ of garnishment and "judgment  
6 debtor" includes a criminal defendant.

7 Sec. 5. Section 13-820, Arizona Revised Statutes, is amended to read:  
8 13-820. Contempt proceedings; failure to comply with order

9 If the garnishee fails to comply with the terms of the order of  
10 criminal garnishment within thirty days after receiving the order, the victim  
11 or the court, the clerk of the court or the ~~county~~ PROSECUTING attorney may  
12 petition the court for an order to show cause why the garnishee should not  
13 be held in contempt. If the court finds that the failure was wilful or the  
14 result of gross negligence, the court shall find the garnishee in contempt  
15 and shall award the petitioner reasonable attorney fees, costs and an  
16 additional penalty of not more than five hundred dollars.

APPROVED BY THE GOVERNOR APRIL 2, 1996

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 2, 1996

**FILED**

**Jane Dee Hull  
Secretary of State**

State of Arizona  
House of Representatives  
Forty-second Legislature  
Second Regular Session  
1996

CHAPTER 80

**HOUSE BILL 2487**

AN ACT

AMENDING TITLE 11, CHAPTER 3, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 11-483; AMENDING TITLE 28, CHAPTER 2, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-217; RELATING TO CONFIDENTIALITY OF PEACE OFFICER RECORDS.

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 11, chapter 3, article 3, Arizona Revised Statutes,  
3 is amended by adding section 11-483, to read:

4 11-483. Records; peace officers; redaction

5 A. NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, A PEACE  
6 OFFICER MAY REQUEST THAT THE GENERAL PUBLIC BE PROHIBITED FROM ACCESSING THE  
7 PEACE OFFICER'S RESIDENTIAL ADDRESS AND TELEPHONE NUMBER CONTAINED IN  
8 INSTRUMENTS OR WRITINGS RECORDED BY THE COUNTY RECORDER.

9 B. A PEACE OFFICER MAY REQUEST THIS ACTION BY FILING AN AFFIDAVIT THAT  
10 STATES ALL OF THE FOLLOWING:

11 1. THE PEACE OFFICER'S NAME.

12 2. THE POSITION THE PEACE OFFICER CURRENTLY HOLDS AND A DESCRIPTION  
13 OF THE PEACE OFFICER'S DUTIES.

14 3. THE REASONS THE PEACE OFFICER REASONABLY BELIEVES THAT THE PEACE  
15 OFFICER'S LIFE OR SAFETY OR THAT OF ANOTHER PERSON IS IN DANGER AND THAT  
16 REDACTING THE RESIDENTIAL ADDRESS AND TELEPHONE NUMBER FROM INSTRUMENTS OR  
17 WRITINGS RECORDED BY THE COUNTY RECORDER WILL SERVE TO REDUCE THE DANGER.

18 C. THE AFFIDAVIT SHALL BE FILED WITH THE PRESIDING JUDGE OF THE  
19 SUPERIOR COURT IN THE COUNTY IN WHICH THE AFFIANT RESIDES. TO PREVENT A  
20 MULTIPLICITY OF FILINGS, A PEACE OFFICER SHALL DELIVER THE AFFIDAVIT TO THE

1 PEACE OFFICER'S COMMANDING OFFICER, WHO SHALL FILE THE AFFIDAVITS AT ONE  
2 TIME. IN THE ABSENCE OF AN AFFIDAVIT THAT CONTAINS A REQUEST FOR IMMEDIATE  
3 ACTION AND THAT IS SUPPORTED BY FACTS JUSTIFYING AN EARLIER PRESENTATION, THE  
4 COMMANDING OFFICER SHALL NOT FILE MORE OFTEN THAN QUARTERLY AFFIDAVITS OF  
5 PEACE OFFICERS PRESENTED TO THE COMMANDING OFFICER.

6 D. ON RECEIPT OF AN AFFIDAVIT OR AFFIDAVITS, THE PRESIDING JUDGE OF  
7 THE SUPERIOR COURT SHALL CAUSE TO BE FILED WITH THE CLERK OF THE SUPERIOR  
8 COURT A PETITION ON BEHALF OF ALL REQUESTING PEACE OFFICERS. EACH AFFIDAVIT  
9 PRESENTED SHALL BE ATTACHED TO THE PETITION. IN THE ABSENCE OF AN AFFIDAVIT  
10 THAT CONTAINS A REQUEST FOR IMMEDIATE ACTION AND THAT IS SUPPORTED BY FACTS  
11 JUSTIFYING AN EARLIER CONSIDERATION, THE PRESIDING JUDGE MAY ACCUMULATE  
12 AFFIDAVITS AND FILE A PETITION AT THE END OF EACH QUARTER.

13 E. THE PRESIDING JUDGE OF THE SUPERIOR COURT SHALL REVIEW THE PETITION  
14 AND EACH ATTACHED AFFIDAVIT TO DETERMINE WHETHER THE ACTION REQUESTED BY EACH  
15 PEACE OFFICER SHOULD BE GRANTED. THE PRESIDING JUDGE OF THE SUPERIOR COURT  
16 SHALL ORDER THE REDACTION OF THE RESIDENCE ADDRESS AND TELEPHONE NUMBER FROM  
17 THE INSTRUMENTS OR WRITINGS RECORDED IN THE COUNTY RECORDER'S OFFICE IF THE  
18 JUDGE CONCLUDES THAT THIS ACTION WILL REDUCE A DANGER TO THE LIFE OR SAFETY  
19 OF THE AFFIANT OR ANOTHER PERSON.

20 F. ON ENTRY OF THE COURT ORDER, THE CLERK OF THE SUPERIOR COURT SHALL  
21 FILE THE COURT ORDER WITH THE COUNTY RECORDER. NO MORE THAN ONE HUNDRED  
22 FIFTY DAYS AFTER THE DATE THE COUNTY RECORDER RECEIVES THE COURT ORDER, THE  
23 COUNTY RECORDER SHALL REDACT THE RESIDENCE ADDRESSES AND TELEPHONE NUMBERS  
24 OF THE PEACE OFFICERS LISTED IN THE COURT ORDER FROM THE INSTRUMENTS OR  
25 WRITINGS RECORDED IN THE COUNTY RECORDER'S OFFICE. THE RESIDENCE ADDRESS AND  
26 TELEPHONE NUMBER SHALL NOT BE DISCLOSED AND ARE NOT PART OF A PUBLIC RECORD.

27 G. IF THE COURT DENIES AN AFFIANT'S REQUEST PURSUANT TO THIS SECTION,  
28 THE AFFIANT MAY REQUEST A COURT HEARING. THE HEARING SHALL BE CONDUCTED BY  
29 THE COURT IN THE COUNTY WHERE THE PETITION WAS FILED.

30 Sec. 2. Title 28, chapter 2, article 1, Arizona Revised Statutes, is  
31 amended by adding section 28-217, to read:

32 28-217. Public records; peace officers; redaction

33 A. NOTWITHSTANDING SECTIONS 28-210 AND 28-216, A PEACE OFFICER MAY  
34 REQUEST THAT PERSONS BE PROHIBITED FROM ACCESSING THE PEACE OFFICER'S  
35 RESIDENTIAL ADDRESS AND TELEPHONE NUMBER CONTAINED IN ANY RECORD MAINTAINED  
36 BY THE DEPARTMENT.

37 B. A PEACE OFFICER MAY REQUEST THIS ACTION BY FILING AN AFFIDAVIT THAT  
38 STATES ALL OF THE FOLLOWING:

- 39 1. THE PEACE OFFICER'S NAME.  
40 2. THE POSITION THE PEACE OFFICER CURRENTLY HOLDS AND A DESCRIPTION  
41 OF THE PEACE OFFICER'S DUTIES.  
42 3. THE REASONS THE PEACE OFFICER REASONABLY BELIEVES THAT THE PEACE  
43 OFFICER'S LIFE OR SAFETY OR THAT OF ANOTHER PERSON IS IN DANGER AND THAT

1 REDACTING THE RESIDENTIAL ADDRESS AND TELEPHONE NUMBER FROM THE DEPARTMENT'S  
2 PUBLIC RECORDS WILL SERVE TO REDUCE THE DANGER.

3 C. THE AFFIDAVIT SHALL BE FILED WITH THE PRESIDING JUDGE OF THE  
4 SUPERIOR COURT IN THE COUNTY IN WHICH THE AFFIANT RESIDES. TO PREVENT A  
5 MULTIPLICITY OF FILINGS, A PEACE OFFICER SHALL DELIVER THE AFFIDAVIT TO THE  
6 PEACE OFFICER'S COMMANDING OFFICER, WHO SHALL FILE THE AFFIDAVITS AT ONE  
7 TIME. IN THE ABSENCE OF AN AFFIDAVIT THAT CONTAINS A REQUEST FOR IMMEDIATE  
8 ACTION AND THAT IS SUPPORTED BY FACTS JUSTIFYING AN EARLIER PRESENTATION, THE  
9 COMMANDING OFFICER SHALL NOT FILE MORE OFTEN THAN QUARTERLY AFFIDAVITS OF  
10 PEACE OFFICERS PRESENTED TO THE COMMANDING OFFICER.

11 D. ON RECEIPT OF AN AFFIDAVIT OR AFFIDAVITS, THE PRESIDING JUDGE OF  
12 THE SUPERIOR COURT SHALL CAUSE TO BE FILED WITH THE CLERK OF THE SUPERIOR  
13 COURT A PETITION ON BEHALF OF ALL REQUESTING PEACE OFFICERS. EACH AFFIDAVIT  
14 PRESENTED SHALL BE ATTACHED TO THE PETITION. IN THE ABSENCE OF AN AFFIDAVIT  
15 THAT CONTAINS A REQUEST FOR IMMEDIATE ACTION AND THAT IS SUPPORTED BY FACTS  
16 JUSTIFYING AN EARLIER CONSIDERATION, THE PRESIDING JUDGE MAY ACCUMULATE  
17 AFFIDAVITS AND FILE A PETITION AT THE END OF EACH QUARTER.

18 E. THE PRESIDING JUDGE OF THE SUPERIOR COURT SHALL REVIEW THE PETITION  
19 AND EACH ATTACHED AFFIDAVIT TO DETERMINE WHETHER THE ACTION REQUESTED BY EACH  
20 PEACE OFFICER SHOULD BE GRANTED. THE PRESIDING JUDGE OF THE SUPERIOR COURT  
21 SHALL ORDER THE REDACTION OF THE RESIDENCE ADDRESS AND TELEPHONE NUMBER FROM  
22 THE PUBLIC RECORDS MAINTAINED BY THE DEPARTMENT IF THE JUDGE CONCLUDES THAT  
23 THIS ACTION WILL REDUCE A DANGER TO THE LIFE OR SAFETY OF THE AFFIANT OR  
24 ANOTHER PERSON.

25 F. ON ENTRY OF THE COURT ORDER, THE CLERK OF THE SUPERIOR COURT SHALL  
26 FILE THE COURT ORDER WITH THE DEPARTMENT. NO MORE THAN ONE HUNDRED FIFTY  
27 DAYS AFTER THE DATE THE DEPARTMENT RECEIVES THE COURT ORDER, THE DEPARTMENT  
28 SHALL REDACT THE RESIDENCE ADDRESSES AND TELEPHONE NUMBERS OF THE PEACE  
29 OFFICERS LISTED IN THE COURT ORDER FROM THE PUBLIC RECORDS OF THE DEPARTMENT.  
30 THE RESIDENCE ADDRESS AND TELEPHONE NUMBER SHALL NOT BE DISCLOSED AND ARE NOT  
31 PART OF A PUBLIC RECORD.

32 G. IF THE COURT DENIES AN AFFIANT'S REQUEST PURSUANT TO THIS SECTION,  
33 THE AFFIANT MAY REQUEST A COURT HEARING. THE HEARING SHALL BE CONDUCTED BY  
34 THE COURT IN THE COUNTY WHERE THE PETITION WAS FILED.

APPROVED BY THE GOVERNOR APRIL 2, 1996

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 2, 1996

**FILED**

State of Arizona  
Senate  
Forty-second Legislature  
Second Regular Session  
1996

**Jane Dee Hull  
Secretary of State**

CHAPTER 81

**SENATE BILL 1019**

AN ACT

AMENDING SECTIONS 6-101, 6-123, 6-128, 6-140, 6-183, 6-184, 6-186, 6-241, 6-322, 6-324, 6-326 AND 6-327, ARIZONA REVISED STATUTES; AMENDING TITLE 6, CHAPTER 2, ARTICLE 7, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 6-328 THROUGH 6-331; AMENDING SECTIONS 6-1001 AND 6-1113, ARIZONA REVISED STATUTES; RELATING TO BANKS AND FINANCIAL INSTITUTIONS.

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 6-101, Arizona Revised Statutes, is amended to read:

6-101. Definitions

In this title, unless the context otherwise requires:

1. "Automated teller machine" means an automated device THAT IS established by a bank, savings and loan association or credit union AND that facilitates customer-bank communications activities, including taking deposits and disbursing cash drawn against a customer's deposit account or a customer's preapproved loan account, at a location separate from the home office or a branch.

2. "BANK" MEANS A CORPORATION THAT HOLDS A BANKING PERMIT ISSUED PURSUANT TO CHAPTER 2 OF THIS TITLE.

~~2-~~ 3. "Banking office" means any place of business of the bank at which deposits are received, checks are paid or money is loaned but does not include the premises used for computer operations, proofing, record keeping, accounting, storage, maintenance or other administrative or service functions.

4. "BRANCH" MEANS ANY BANKING OFFICE OTHER THAN THE PRINCIPAL BANKING OFFICE.

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~~3-~~ 5. "Department" means the state banking department.

~~4-~~ 6. "Enterprise" means any person under the jurisdiction of the department other than a financial institution.

~~5-~~ 7. "Federal deposit insurance corporation" includes any successor to the corporation or other agency or instrumentality of the United States which undertakes to discharge the purposes of the corporation.

~~6-~~ 8. "Financial institution" means banks, trust companies, savings and loan associations, credit unions, consumer lenders, international banking facilities and financial institution holding companies under the jurisdiction of the department.

9. "HOME STATE" MEANS THE STATE THAT HAS GRANTED THE BANK ITS CHARTER, PERMIT OR LICENSE TO OPERATE.

10. "HOST STATE" MEANS THE STATE IN WHICH A FINANCIAL INSTITUTION IS DOING BUSINESS AND NOT THE STATE THAT HAS GRANTED THE BANK ITS CHARTER, PERMIT OR LICENSE TO OPERATE.

11. "IN-STATE FINANCIAL INSTITUTION" MEANS A STATE OR FEDERAL BANK, SAVINGS BANK, SAVINGS AND LOAN ASSOCIATION OR HOLDING COMPANY WITH ITS HOME OFFICE LOCATED IN THIS STATE.

~~7-~~ 12. "International banking facility" means a facility represented by a set of asset and liability accounts segregated on the books and records of a commercial bank, the principal office of which is located in this state, and which is incorporated and doing business under the laws of the United States or of this state, a United States branch or agency of a foreign bank, an edge corporation organized under section 25(a) of the federal reserve act (12 United States Code sections 611 through 631) or an agreement corporation having an agreement or undertaking with the board of governors of the federal reserve system under section 25 of the federal reserve act (12 United States Code sections 601 through 604(a)) that includes only international banking facility time deposits and international banking facility extensions of credit as defined in 12 Code of Federal Regulations part 204.

~~8-~~ 13. "National credit union administration" includes any successor to the corporation or other agency or instrumentality of the United States which undertakes to discharge the purposes of the corporation.

14. "OUT-OF-STATE BANK" MEANS A BANK, SAVINGS BANK OR SAVINGS AND LOAN ASSOCIATION THAT IS APPROVED BY THE SUPERINTENDENT PURSUANT TO SECTION 6-322 AND THAT HAS A CHARTER, A PERMIT OR ANY OTHER LICENSE TO OPERATE THAT IS ISSUED BY A STATE OTHER THAN THIS STATE.

15. "OUT-OF-STATE FINANCIAL INSTITUTION" MEANS A STATE OR FEDERAL BANK, SAVINGS BANK, SAVINGS AND LOAN ASSOCIATION OR HOLDING COMPANY WITH ITS HOME OFFICE IN A STATE OTHER THAN THIS STATE.

~~9-~~ 16. "Superintendent" means the superintendent of banks.

~~10-~~ 17. "Title" includes this title, title 32, chapter 9 and title 44, chapter 2.1.

1           Sec. 2. Section 6-123, Arizona Revised Statutes, is amended to read:  
2           6-123. Superintendent; powers

3           In addition to the other powers, express or implied, the superintendent  
4 may:

5           1. Exercise all powers necessary for the administration and  
6 enforcement of the laws and rules relating to financial institutions and  
7 enterprises.

8           2. In accordance with title 41, chapter 6, adopt rules necessary or  
9 appropriate to administer, enforce and accomplish the purposes of this title  
10 and adopt rules and issue orders limiting transactions between financial  
11 institutions or enterprises and the directors, officers or employees of the  
12 financial institutions or enterprises.

13           3. Require appropriate records, documents, information and reports  
14 from any financial institution or enterprise.

15           4. Submit to the department of public safety the name and fingerprints  
16 of any applicant or licensee or the name of any organizer, director or  
17 officer of any corporate applicant or licensee for:

18           (a) A banking permit.

19           (b) Permission to organize a savings and loan association or credit  
20 union.

21           (c) Any license.

22           (d) Any certificate.

23           (e) AUTHORITY TO ENGAGE IN INTERSTATE BANKING AND BRANCHING IN THIS  
24 STATE.

25           The department of public safety shall report the criminal record, if any, of  
26 such applicant, licensee or organizer, director or officer of such corporate  
27 applicant or licensee within ninety days of receipt of the request of the  
28 superintendent.

29           5. Employ appraisers to appraise any property owned or held as  
30 security by any financial institution or enterprise. The reasonable expenses  
31 and compensation of such appraisers shall be paid by the financial  
32 institution or enterprise.

33           6. Hold membership in, pay dues to and attend the convention of the  
34 national and regional organizations of state officials occupying like offices  
35 or performing similar functions.

36           7. COOPERATE WITH OTHER REGULATORY AGENCIES AND PROFESSIONAL  
37 ASSOCIATIONS TO PROMOTE THE EFFICIENT, SAFE AND SOUND OPERATION AND  
38 REGULATION OF INTERSTATE BANKING AND BRANCHING ACTIVITIES, INCLUDING THE  
39 FORMULATION OF INTERSTATE EXAMINATION POLICIES AND PROCEDURES AND THE  
40 DRAFTING OF MODEL RULES AND AGREEMENTS.

1           Sec. 3. Section 6-128, Arizona Revised Statutes, is amended to read:

2           6-128. Joint examinations; acceptance of federal regulatory and  
3                 other authorized examinations

4           A. The examination of a financial institution OR ENTERPRISE may be  
5 made in coordination with any authorized federal examination OR AN  
6 EXAMINATION BY ANOTHER STATE. The superintendent in his discretion may  
7 accept the examination report ~~of~~ OR OTHER INFORMATION COMPILED OR GENERATED  
8 BY a federal regulatory authority OR BY ANOTHER STATE REGULATORY AUTHORITY  
9 THAT HAS JURISDICTION OVER THE FINANCIAL INSTITUTION OR ENTERPRISE in lieu  
10 of any examination authorized or required by the laws of this state.  
11 Acceptance of the examination reports shall not be a waiver of the  
12 examination assessments provided by law, and reports so accepted are  
13 considered for all purposes as an official report of the department.

14           B. THE SUPERINTENDENT MAY TAKE ANY REASONABLE AND LAWFUL ACTION TO  
15 COORDINATE THE EXAMINATION OF FINANCIAL INSTITUTIONS OR ENTERPRISES,  
16 INCLUDING:

17           1. NEGOTIATING AND ENTERING INTO COOPERATIVE AGREEMENTS WITH AN AGENCY  
18 OF ANOTHER STATE OR OF THE FEDERAL GOVERNMENT.

19           2. SHARING INFORMATION AND REPORTS WITH PERSONS AS PRESCRIBED BY  
20 SECTION 6-129.

21           Sec. 4. Section 6-140, Arizona Revised Statutes, is amended to read:

22           6-140. Credit cards; reporting rates; quarterly report of  
23                 superintendent; definition

24           A. A financial institution which issues revolving loan accounts  
25 resulting from credit card accounts to persons residing in this state shall  
26 report to the superintendent the financial institution's current interest  
27 rate for all such credit card accounts. The report shall include the  
28 following information, if applicable:

29           1. The interest rate for the credit card as an annual percentage rate  
30 as that term is defined in the federal consumer credit protection act (15  
31 United States Code section 1606). If interest rates vary depending on the  
32 outstanding balances, the financial institution shall disclose that rate  
33 separately.

34           2. The annual fee charged for obtaining the credit card.

35           3. The amount of any late payment or delinquency charge.

36           4. The existence of a grace period during which no interest is charged  
37 on the outstanding balance.

38           5. The minimum monthly payment.

39           6. The amount or method of determining any other charge permitted by  
40 section 44-1205, subsection C.

41           7. Any inducement offered by a financial institution to a holder of  
42 its credit card or an applicant for its credit card.

1           B. Within thirty days after a change in the information required by  
2 subsection A of this section the financial institution shall report such  
3 change to the superintendent.

4           C. The superintendent shall at least quarterly compile a report of the  
5 interest rates of each financial institution for the types of credit card  
6 accounts issued to persons in this state. The superintendent shall  
7 distribute this report in a manner deemed appropriate by the superintendent,  
8 and the superintendent shall make the report available to the public for  
9 inspection and copying.

10           D. For the purposes of this section, IN ADDITION TO THE ENTITIES  
11 INCLUDED IN THE DEFINITION IN SECTION 6-101, PARAGRAPH 8, "financial  
12 institution" ALSO includes a national bank, FEDERAL SAVINGS BANK, federal  
13 savings and loan association or federal credit union with its home office in  
14 this state OR WITH A BRANCH IN THIS STATE.

15           Sec. 5. Section 6-183, Arizona Revised Statutes, is amended to read:

16           6-183. Rights, powers and privileges of national banks

17           Except as prohibited by federal law, a national ~~banking association~~  
18 BANK with its ~~principal place of business~~ A BANKING OFFICE in this state  
19 shall have all the rights, powers and privileges and shall be entitled to the  
20 same exemptions and immunities as banks holding banking permits under this  
21 chapter.

22           Sec. 6. Section 6-184, Arizona Revised Statutes, is amended to read:

23           6-184. General corporate and banking powers; incidental powers;  
24           deposit insurance; federal reserve and home loan bank  
25           membership

26           A. A corporation holding a banking permit under this chapter may:

27           1. Except as prohibited by law, exercise the powers derived from its  
28 existence as an Arizona corporation.

29           2. Except as prohibited by law, exercise any power and engage in any  
30 activity which it could exercise or engage in if it were a national banking  
31 association with its ~~principal place of business~~ A BANKING OFFICE in this  
32 state.

33           3. Directly or through a bank subsidiary engage in any lawful activity  
34 which is reasonably related or incidental to banking. All activities in  
35 which any bank was lawfully engaged directly or through a subsidiary on  
36 December 31, 1971, are declared to be incidental and related to banking for  
37 the purposes of this paragraph.

38           4. Do the acts necessary to obtain and maintain insurance of its  
39 deposits by the federal deposit insurance corporation.

40           5. Do the acts necessary to acquire and hold membership in the federal  
41 reserve system or the federal home loan bank.

42           6. Except as prohibited by law, directly or through a bank subsidiary,  
43 make any loan or investment, offer accounts or engage in any business  
44 activity authorized for national banking associations, federal savings banks,

1 or state or federally chartered or licensed savings and loan associations  
2 doing business in this state. This paragraph is subject to section 33-1571.

3 7. Except as prohibited by law and subject to such rules and  
4 ~~regulations~~ as the superintendent may adopt, through a bank subsidiary,  
5 invest in real estate in the state or interests therein, including  
6 corporations, partnerships, and joint ventures which acquire, develop,  
7 improve, hold, lease, operate and sell real estate. This paragraph is  
8 subject to section 33-1571.

9 B. AN IN-STATE FINANCIAL INSTITUTION OR AN OUT-OF-STATE FINANCIAL  
10 INSTITUTION MAY ACT AS AN AGENT OF ANY OTHER IN-STATE FINANCIAL INSTITUTION  
11 OR OUT-OF-STATE FINANCIAL INSTITUTION THAT IS A SUBSIDIARY OF THE SAME  
12 HOLDING COMPANY FOR PURPOSES OF CONDUCTING THE ACTIVITIES AUTHORIZED BY THIS  
13 SUBSECTION. THIS SUBSECTION APPLIES REGARDLESS OF WHETHER THE AFFILIATED  
14 ENTITIES SHARE THE SAME HOME STATE. AN IN-STATE FINANCIAL INSTITUTION OR AN  
15 OUT-OF-STATE FINANCIAL INSTITUTION ENTERING INTO AN AGENCY RELATIONSHIP SHALL  
16 NOTIFY THE SUPERINTENDENT OF THAT AGENCY RELATIONSHIP AT LEAST TEN DAYS  
17 BEFORE THE EFFECTIVE DATE OF THAT AGENCY RELATIONSHIP. AGENCY RELATIONSHIPS  
18 AMONG AFFILIATES SHALL BE CONSISTENT WITH SAFE AND SOUND BUSINESS PRACTICES  
19 AND SHALL COMPLY WITH ALL APPLICABLE LAWS AND RULES. AN IN-STATE FINANCIAL  
20 INSTITUTION OR AN OUT-OF-STATE FINANCIAL INSTITUTION ACTING AS AN AGENT IS  
21 NOT DEEMED TO BE A BRANCH OF THE AFFILIATE SOLELY BECAUSE OF ACTIVITIES  
22 LAWFULLY CONDUCTED PURSUANT TO THIS SUBSECTION. AN IN-STATE FINANCIAL  
23 INSTITUTION OR AN OUT-OF-STATE FINANCIAL INSTITUTION THAT IS ACTING AS AN  
24 AGENT FOR AN AFFILIATED ENTITY MAY DO ANY OF THE FOLLOWING:

- 25 1. RECEIVE DEPOSITS.
- 26 2. RENEW TIME DEPOSITS.
- 27 3. SERVICE LOANS.
- 28 4. RECEIVE PAYMENTS ON LOANS AND OTHER OBLIGATIONS.
- 29 5. PERFORM OTHER CUSTOMARY BANKING SERVICES WITH THE PRIOR APPROVAL  
30 OF THE SUPERINTENDENT.

31 C. AN IN-STATE FINANCIAL INSTITUTION OR AN OUT-OF-STATE FINANCIAL  
32 INSTITUTION ACTING AS AN AGENT AS PRESCRIBED BY SUBSECTION B OF THIS SECTION  
33 ON BEHALF OF AN AFFILIATED FINANCIAL INSTITUTION MAY NOT DO ANY OF THE  
34 FOLLOWING:

- 35 1. OPEN DEMAND, SAVINGS OR TIME ACCOUNTS.
- 36 2. EVALUATE OR APPROVE LOANS.
- 37 3. DISBURSE LOAN MONIES.
- 38 4. CONDUCT ANY ACTIVITY AS AN AGENT THAT IT IS PROHIBITED FROM  
39 CONDUCTING AS A PRINCIPAL UNDER ANY APPLICABLE LAW OR RULE.

40 D. AN IN-STATE FINANCIAL INSTITUTION OR AN OUT-OF-STATE FINANCIAL  
41 INSTITUTION THAT IS ACTING AS A PRINCIPAL AS PRESCRIBED BY SUBSECTION B OF  
42 THIS SECTION MAY NOT HAVE ITS AFFILIATED ENTITY ACT AS AN AGENT ON ITS BEHALF  
43 IN CONDUCTING ANY OF THE FOLLOWING:

1 1. ANY ACTIVITY THAT IS PROHIBITED TO THE PRINCIPAL.

2 2. ANY ACTIVITY THAT IS PROHIBITED TO THE AGENT.

3 Sec. 7. Section 6-186, Arizona Revised Statutes, is amended to read:

4 6-186. Annual audit and report

5 A. An audit of the affairs of the bank INCLUDING AN OUT-OF-STATE BANK  
6 shall be made annually as of the end of its fiscal year by or under the  
7 direction of the board of directors. The superintendent may prescribe certain  
8 minimum requirements of the audit and shall require the filing of a copy of  
9 the report covering the audit with the superintendent. The audit shall be  
10 filed with the superintendent not more than one hundred twenty days after the  
11 end of the bank's OR OUT-OF-STATE BANK'S fiscal year, unless the  
12 superintendent extends the time period for good cause shown. The audit is  
13 not a substitute for or in lieu of the examination by the superintendent  
14 required by section 6-122.

15 B. AN OUT-OF-STATE BANK MAY SATISFY AN AUDIT REQUIREMENT BY FILING  
16 WITH THE SUPERINTENDENT A COPY OF THE AUDIT REPORT THAT IS REQUIRED BY ITS  
17 HOME STATE REGULATOR WITHIN FIFTEEN DAYS AFTER FILING THAT REPORT WITH THE  
18 HOME STATE.

19 Sec. 8. Section 6-241, Arizona Revised Statutes, is amended to read:

20 6-241. Banking days; notice; closing

21 A. A bank is authorized to fix from time to time the days and hours  
22 when each of its banking offices THAT ARE LOCATED IN THIS STATE will be open  
23 to the public for its banking business. The days and hours need not be the  
24 same for each office. The bank shall notify the superintendent of the days  
25 and hours of each banking office and of any change in the scheduled days and  
26 hours of each office. The bank shall give further notice by whatever means  
27 it selects as best calculated to advise the public of any change.

28 B. In an emergency or threat of an emergency or other circumstances  
29 beyond the control of the bank which would imperil persons or property or  
30 impede normal operations, all or any of its banking offices THAT ARE LOCATED  
31 IN THIS STATE may be or remain closed. Notice of the closing shall be given  
32 to the superintendent as promptly as conditions will permit. The  
33 superintendent may order the reopening of any office on his finding that  
34 conditions justifying the closing under this subsection do not then exist.

35 C. Any day on which a bank shall pursuant to this section be or remain  
36 closed shall with respect to the bank be deemed a legal holiday.

37 D. Any office of a bank may be closed under subsection A or B, even  
38 though other offices of the bank are open, but any day of such closing shall  
39 not be a legal holiday in respect to any acts to be performed by or at the  
40 bank on such day unless the act is to be performed only by or at the office  
41 which is closed.

42 E. Where pursuant to agreement or law any act is to be performed by  
43 or at a bank on any day when such bank shall pursuant to this section be or

1 remain closed, the act may be performed on the next succeeding banking day  
2 with the effect as though performed on the appointed day.

3 F. Nothing in any law of this state shall in any manner whatsoever  
4 affect the validity of or render void or voidable the payment, satisfaction  
5 or acceptance of ~~a~~ ANY check or other negotiable instrument, or any other  
6 transaction by a bank because done or performed on any holiday or partial  
7 holiday or during any time other than regular banking hours, but nothing in  
8 this subsection shall be construed to compel a bank to perform any of the  
9 acts or transactions aforesaid except at its own option.

10 G. THIS SECTION APPLIES TO OUT-OF-STATE BANKS.

11 Sec. 9. Section 6-322, Arizona Revised Statutes, is amended to read:

12 6-322. Interstate acquisitions; approval of superintendent;  
13 exception

14 A. EXCEPT AS OTHERWISE EXPRESSLY PERMITTED BY FEDERAL LAW, an  
15 out-of-state financial institution shall not acquire an in-state financial  
16 institution unless the superintendent has approved the acquisition. THE  
17 SUPERINTENDENT SHALL NOT APPROVE AN ACQUISITION UNLESS THE SUPERINTENDENT HAS  
18 DETERMINED THAT DEPOSITS HELD IN THIS STATE WILL BE INSURED BY THE FEDERAL  
19 DEPOSIT INSURANCE CORPORATION WHEN BUSINESS IN THIS STATE IS COMMENCED. ~~if~~  
20 ~~the acquired institution is to be operated as a bank, the acquisition shall~~  
21 ~~result in an in-state financial institution, except for such an acquisition~~  
22 ~~consummated between May 1, 1990 and June 15, 1990, the acquisition may result~~  
23 ~~in an out of state financial institution with branches in Arizona, if the~~  
24 ~~out of state financial institution transfers all or substantially all of the~~  
25 ~~assets acquired to an in state financial institution within ninety days of~~  
26 ~~the acquisition. This section does not prohibit a person from negotiating~~  
27 ~~or entering into agreements subject to the condition that the acquisition~~  
28 ~~will not be effective until approval of the superintendent is obtained.~~

29 B. FOR THOSE OUT-OF-STATE FINANCIAL INSTITUTIONS REQUIRED TO OBTAIN  
30 APPROVAL FROM THE SUPERINTENDENT AS PRESCRIBED BY SUBSECTION A, the acquiring  
31 financial institution shall submit to the superintendent a written  
32 application for approval in the form the superintendent prescribes. The  
33 acquiring financial institution shall accompany the application with such  
34 information, data and records as the superintendent may require in order to  
35 make ~~his~~ THE determination. IN AN INTERSTATE TRANSACTION, THE SUPERINTENDENT  
36 MAY ACCEPT AN APPLICATION THAT IS IN THE FORM AND MANNER PRESCRIBED BY THE  
37 STATE OR FEDERAL AGENCY THAT IS THE PRIMARY REGULATOR OF THE APPLICANT AND  
38 THAT IS SUPPLEMENTED AS NECESSARY TO ALLOW THE SUPERINTENDENT TO DETERMINE  
39 WHETHER TO DENY OR APPROVE THE APPLICATION. ~~For this purpose~~ The  
40 superintendent shall adopt rules prescribing the form and the information,  
41 data or records ~~which he~~ THAT THE SUPERINTENDENT requires. IN EVALUATING  
42 APPLICATIONS FOR ACQUISITION PURSUANT TO SUBSECTION F, THE SUPERINTENDENT MAY  
43 GIVE CONSIDERATION TO THE POTENTIAL IMPACT OF THE ACQUISITION ON THE  
44 FINANCIAL STABILITY OF THE ACQUIRING INSTITUTION.

1 C. A newly established in-state financial institution created for the  
2 purpose of acquiring all or substantially all the assets of a former in-state  
3 financial institution from an out-of-state financial institution shall not  
4 constitute a de novo entry if the acquisition by the newly established  
5 in-state financial institution is completed within ninety days of the date  
6 on which the out-of-state financial institution acquired all or substantially  
7 all of the assets of the former in-state financial institution.

8 D. IN THE CASE OF AN OUT-OF-STATE FINANCIAL INSTITUTION THAT IS NOT  
9 REQUIRED TO OBTAIN THE APPROVAL OF THE SUPERINTENDENT, THE OUT-OF-STATE  
10 FINANCIAL INSTITUTION SHALL GIVE WRITTEN NOTICE OF THE ACQUISITION TO THE  
11 SUPERINTENDENT TEN DAYS BEFORE THE EFFECTIVE DATE OF THE ACQUISITION, UNLESS  
12 A SHORTER TIME IS PRESCRIBED BY FEDERAL LAW.

13 E. FROM AND AFTER AUGUST 31, 2001, AN OUT-OF-STATE FINANCIAL  
14 INSTITUTION MAY ACQUIRE A BRANCH OF AN IN-STATE FINANCIAL INSTITUTION FOR  
15 OPERATION AS A BRANCH WITHOUT ACQUIRING THE ENTIRE IN-STATE FINANCIAL  
16 INSTITUTION OR ITS PERMIT. A BRANCH OF AN IN-STATE FINANCIAL INSTITUTION IS  
17 NOT ELIGIBLE TO BE ACQUIRED UNLESS IT HAS BEEN IN CONTINUOUS OPERATION FIVE  
18 OR MORE YEARS.

19 F. NOTWITHSTANDING SUBSECTION E, AN OUT-OF-STATE FINANCIAL INSTITUTION  
20 MAY ACQUIRE A BRANCH OF AN IN-STATE FINANCIAL INSTITUTION WITHOUT ACQUIRING  
21 THE ENTIRE INSTITUTION IF ALL OF THE FOLLOWING APPLY:

22 1. THE FINANCIAL INSTITUTION PROPOSED TO BE ACQUIRED IS IN DANGER OF  
23 BEING PLACED IN RECEIVERSHIP.

24 2. THE ACQUISITION IS NECESSARY TO PROTECT THE FINANCIAL INTERESTS OF  
25 THE IN-STATE FINANCIAL INSTITUTION'S DEPOSITORS AND CREDITORS.

26 3. THE TERMS OF THE ACQUISITION ARE ACCEPTABLE TO THE RELEVANT FEDERAL  
27 AGENCY.

28 4. THE SUPERINTENDENT APPROVES THE ACQUISITION PURSUANT TO THIS  
29 SECTION IN WRITING.

30 Sec. 10. Section 6-324, Arizona Revised Statutes, is amended to read:

31 6-324. De novo entry by certain financial institutions

32 ~~From and after June 30, 1992~~ An out-of-state financial institution may  
33 establish a bank, savings and loan association or holding company in this  
34 state through de novo entry subject to the applicable laws of this state.  
35 AN IN-STATE FINANCIAL INSTITUTION MAY NOT BE ACQUIRED FOR OPERATION AS A  
36 BRANCH BY AN OUT-OF-STATE FINANCIAL INSTITUTION UNTIL IT HAS BEEN IN  
37 CONTINUOUS OPERATION FOR FIVE OR MORE YEARS ON THE DATE OF THE PROPOSED  
38 ACQUISITION.

39 Sec. 11. Section 6-326, Arizona Revised Statutes, is amended to read:

40 6-326. Denial of application; grounds

41 The superintendent shall deny an application for acquisition of an  
42 in-state financial institution if the superintendent finds any of the  
43 following:

1           1. The financial condition of the acquiring out-of-state financial  
2 institution is such that it may jeopardize the financial stability of the  
3 in-state financial institution or prejudice the interests of the depositors,  
4 beneficiaries, creditors or shareholders of the in-state financial  
5 institution.

6           2. Any plan or proposal to liquidate the in-state financial  
7 institution, to merge or consolidate the in-state financial institution or  
8 to make any other major change in the business, corporate structure or  
9 management of the in-state financial institution is not fair and reasonable  
10 to the depositors, beneficiaries, creditors or shareholders of the in-state  
11 financial institution.

12           3. ~~The~~ The applicant has exhibited, or has acquired a reputation for,  
13 such lack of honesty or integrity to indicate that it would not be in the  
14 interest of the depositors, beneficiaries, creditors or shareholders of the  
15 in-state financial institution or in the interest of the public, to permit  
16 such applicant to control the in-state financial institution.

17           4. The applicant neglects, fails or refuses to furnish to the  
18 superintendent any information requested by the superintendent.

19           5. THE APPLICANT FAILS TO OBTAIN ANY REQUIRED APPROVAL FROM A FEDERAL  
20 OR STATE AGENCY WITH AUTHORITY OVER ANY OF THE FINANCIAL INSTITUTIONS THAT  
21 ARE PARTICIPATING IN THE TRANSACTION.

22           ~~5-~~ 6. The acquisition is contrary to law.

23           Sec. 12. Section 6-327, Arizona Revised Statutes, is amended to read:

24           6-327. Applicable laws and rules; cooperative agreements;  
25                           contracting exemption

26           A. Any bank, savings and loan association, out-of-state financial  
27 institution or holding company doing business as such in this state is  
28 subject to the applicable laws of this state and all the rules adopted  
29 pursuant to such laws, including examination and supervision by the  
30 superintendent.

31           B. IN THE CASE OF AN ACQUISITION TO CREATE A BRANCH IN THIS STATE, THE  
32 ACQUISITION IS PROHIBITED UNLESS THE HOME STATE OF THE OUT-OF-STATE FINANCIAL  
33 INSTITUTION PERMITS RECIPROCAL ACQUISITIONS FOR THE SAME PURPOSES.

34           C. AN OUT-OF-STATE FINANCIAL INSTITUTION THAT ACQUIRES AN IN-STATE  
35 FINANCIAL INSTITUTION OR AN OUT-OF-STATE FINANCIAL INSTITUTION THAT IS THE  
36 RESULT OF A MERGER WITH AN IN-STATE FINANCIAL INSTITUTION MAY DO EITHER OF  
37 THE FOLLOWING SUBJECT TO APPLICABLE STATE AND FEDERAL LAWS:

38           1. CONTINUE TO OPERATE THE IN-STATE FINANCIAL INSTITUTION.

39           2. CONVERT ANY EXISTING PRINCIPAL BANKING OFFICE OR ANY OR ALL  
40 BRANCHES IN THIS STATE INTO A BRANCH OF THE OUT-OF-STATE FINANCIAL  
41 INSTITUTION.

42           D. AN IN-STATE BRANCH OF AN OUT-OF-STATE FINANCIAL INSTITUTION SHALL  
43 COMPLY WITH THE LAWS OF THE INSTITUTION'S HOME STATE, OR SHALL COMPLY WITH

1 FEDERAL LAW IN THE CASE OF A FEDERALLY CHARTERED INSTITUTION. THE LAWS OF  
2 THE INSTITUTION'S HOME STATE APPLY, EXCEPT AS FOLLOWS:

3 1. THE LAWS OF THIS STATE APPLY IF NECESSARY TO PRESERVE THE SAFETY  
4 AND SOUND OPERATION OF A BRANCH IN THIS STATE OR TO OTHERWISE PROTECT THE  
5 CITIZENS OF THIS STATE.

6 2. ANY LAWS OF THIS STATE REGARDING COMMUNITY REINVESTMENT, CONSUMER  
7 PROTECTION, FAIR LENDING AND INTRASTATE BRANCHING APPLY TO A BRANCH IN THIS  
8 STATE OF AN OUT-OF-STATE FINANCIAL INSTITUTION TO THE SAME EXTENT THAT THOSE  
9 LAWS APPLY TO AN IN-STATE FINANCIAL INSTITUTION.

10 3. AN OUT-OF-STATE FINANCIAL INSTITUTION THAT IS AUTHORIZED TO OPERATE  
11 A BRANCH IN THIS STATE MAY ENGAGE IN ACTIVITY ONLY TO THE EXTENT PERMISSIBLE  
12 FOR AN IN-STATE FINANCIAL INSTITUTION.

13 E. SUBSECTION D DOES NOT LIMIT THE JURISDICTION OR AUTHORITY OF THE  
14 SUPERINTENDENT TO EXAMINE, SUPERVISE AND REGULATE AN OUT-OF-STATE FINANCIAL  
15 INSTITUTION THAT IS OPERATING OR SEEKING TO OPERATE A BRANCH IN THIS STATE  
16 OR TO TAKE ANY ACTION OR ISSUE ANY ORDER WITH RESPECT TO THAT BRANCH.

17 F. AN OUT-OF-STATE BANK THAT OPERATES A BRANCH IN THIS STATE SHALL DO  
18 BOTH OF THE FOLLOWING:

19 1. OBTAIN A GRANT OF AUTHORITY TO TRANSACT BUSINESS IN THIS STATE AND  
20 COMPLY WITH ALL OTHER APPLICABLE FILING REQUIREMENTS PRESCRIBED BY TITLE 10  
21 TO THE SAME EXTENT AS ANY OTHER ENTITY TRANSACTING BUSINESS IN THIS STATE.

22 2. PROVIDE WRITTEN NOTICE TO THE SUPERINTENDENT OF THE OUT-OF-STATE  
23 BANK'S GRANT OF AUTHORITY TO TRANSACT BUSINESS IN THIS STATE.

24 ~~B-~~ G. The superintendent may ~~promulgate~~ ADOPT rules, including the  
25 imposition of reasonable application and examination fees, to implement and  
26 administer this article.

27 ~~C-~~ H. The superintendent may DO ANY OF THE FOLLOWING:

28 1. EXAMINE, SUPERVISE AND REGULATE A BRANCH OPERATED IN THIS STATE BY  
29 AN OUT-OF-STATE BANK AND TAKE ANY ACTION OR ISSUE ANY ORDER WITH RESPECT TO  
30 THAT BRANCH.

31 2. EXAMINE, SUPERVISE AND REGULATE A BRANCH OPERATED IN ANOTHER STATE  
32 BY A BANK AND TAKE ANY ACTION OR ISSUE ANY ORDER WITH RESPECT TO THAT BRANCH.

33 3. COORDINATE THESE ACTIVITIES WITH ANY OTHER STATE OR FEDERAL AGENCY  
34 THAT SHARES JURISDICTION OVER THAT FINANCIAL INSTITUTION.

35 4. COORDINATE THE EXAMINATION, SUPERVISION AND REGULATION OF ANY  
36 IN-STATE FINANCIAL INSTITUTION WITH THE EXAMINATION, SUPERVISION AND  
37 REGULATION OF A BRANCH OR AFFILIATED FINANCIAL INSTITUTION THAT IS OPERATING  
38 IN ANOTHER STATE BY DOING ANY OF THE FOLLOWING:

39 (a) CONTRACTING WITH AN AGENCY THAT SHARES JURISDICTION OVER THE  
40 FINANCIAL INSTITUTION TO RETAIN ITS EXAMINERS AT A REASONABLE RATE OF  
41 COMPENSATION.

42 (b) OFFERING THE SERVICES OF THE DEPARTMENT'S EXAMINERS AT A  
43 REASONABLE RATE OF COMPENSATION TO AN AGENCY THAT SHARES JURISDICTION OVER  
44 THE FINANCIAL INSTITUTION.

1 (c) COLLECTING FEES ON BEHALF OF OR RECEIVING PAYMENT OF FEES THROUGH  
2 AN AGENCY THAT HAS JURISDICTION OVER THE FINANCIAL INSTITUTION.

3 5. Enter into cooperative agreements with federal and state regulatory  
4 authorities for the examination and supervision of any acquired or de novo  
5 entry bank, savings and loan association or holding company and may accept  
6 reports of examination and other records from those authorities instead of  
7 conducting ~~his own examinations~~ AN EXAMINATION.

8 I. THE DEPARTMENT IS EXEMPT FROM TITLE 41, CHAPTER 23 IN CONTRACTING  
9 FOR EXAMINERS PURSUANT TO SUBSECTION H, PARAGRAPH 4, SUBDIVISION (a).

10 Sec. 13. Title 6, chapter 2, article 7, Arizona Revised Statutes, is  
11 amended by adding sections 6-328 through 6-331, to read:

12 6-328. Deposit concentration limits

13 A. NEITHER AN OUT-OF-STATE FINANCIAL INSTITUTION NOR AN IN-STATE  
14 FINANCIAL INSTITUTION SHALL ACQUIRE ANOTHER OUT-OF-STATE FINANCIAL  
15 INSTITUTION OR IN-STATE FINANCIAL INSTITUTION IF EITHER OF THE FOLLOWING  
16 CONDITIONS EXIST:

17 1. THE RESULTING OUT-OF-STATE FINANCIAL INSTITUTION, IN-STATE  
18 FINANCIAL INSTITUTION OR AFFILIATION WOULD CONTROL THIRTY PER CENT OR MORE  
19 OF THE BANK DEPOSITS HELD IN THIS STATE.

20 2. ONE OF THE OUT-OF-STATE FINANCIAL INSTITUTIONS OR IN-STATE  
21 FINANCIAL INSTITUTIONS IN THE ACQUISITION ALREADY CONTROLS THIRTY PER CENT  
22 OR MORE OF THE BANK DEPOSITS HELD IN THIS STATE.

23 B. SUBSECTION A DOES NOT APPLY TO ANY INTERSTATE ACQUISITION INVOLVING  
24 ONLY ALREADY AFFILIATED ENTITIES.

25 C. THE SUPERINTENDENT, BY ORDER AND ON FINDINGS OF FACT AND  
26 CONCLUSIONS OF LAW, MAY WAIVE THE DEPOSIT CONCENTRATION LIMIT PRESCRIBED BY  
27 SUBSECTION A. IN DETERMINING WHETHER TO WAIVE THE DEPOSIT CONCENTRATION  
28 LIMIT, THE SUPERINTENDENT SHALL NOT DISCRIMINATE AGAINST OUT-OF-STATE  
29 FINANCIAL INSTITUTIONS AND SHALL NOT GRANT A WAIVER UNLESS THE SUPERINTENDENT  
30 FINDS THAT THE WAIVER WILL PROMOTE ANY OF THE FOLLOWING:

31 1. THE AVAILABILITY OF FINANCIAL SERVICES.

32 2. THE MARKETABILITY OF IN-STATE FINANCIAL INSTITUTIONS.

33 3. ANOTHER PUBLIC INTEREST.

34 6-329. Deposit production offices

35 A. EXCEPT AS PRESCRIBED BY SUBSECTION B OF THIS SECTION, A PERSON  
36 SHALL NOT ESTABLISH OR OPERATE A DEPOSIT PRODUCTION OFFICE OR SIMILAR OFFICE  
37 IN THIS STATE FOR THE PURPOSE OF SOLICITING DEPOSITS OR SIMILAR EVIDENCE OF  
38 INDEBTEDNESS OR PARTICIPATION INTERESTS IN INDEBTEDNESS.

39 B. THIS SECTION DOES NOT APPLY TO ACTIVITIES CONDUCTED AT THE MAIN  
40 OFFICE OR A BRANCH OF AN AFFILIATED FINANCIAL INSTITUTION THAT IS ACTING AS  
41 AN AGENT AS PRESCRIBED BY SECTION 6-184.

42 C. IN DETERMINING WHETHER AN ACTIVITY IS PROHIBITED BY THIS SECTION,  
43 THE SUPERINTENDENT SHALL CONSIDER THE FACTORS SPECIFIED IN THE RIEGLE-NEAL

1 INTERSTATE BANKING AND BRANCHING EFFICIENCY ACT OF 1994, SECTION 109 (c)(2)  
2 (P.L. 103-328; 108 STAT. 2338; 12 UNITED STATES CODE SECTION 1835a(c)(2)).

3 6-330. Rights, powers and privileges of out-of-state banks

4 EXCEPT AS PROHIBITED BY FEDERAL LAW, AN OUT-OF-STATE BANK THAT HAS A  
5 BANKING OFFICE IN THIS STATE HAS ALL OF THE RIGHTS, POWERS AND PRIVILEGES AND  
6 IS ENTITLED TO THE SAME EXEMPTIONS AND IMMUNITIES AS A COMPARABLE IN-STATE  
7 FINANCIAL INSTITUTION THAT HOLDS A PERMIT UNDER THIS TITLE AND IS SUBJECT TO  
8 ALL OF THE PROVISIONS OF THIS TITLE TO THE SAME EXTENT AS A COMPARABLE  
9 IN-STATE FINANCIAL INSTITUTION.

10 6-331. Enforcement

11 A. IF THE SUPERINTENDENT DETERMINES THAT A BRANCH THAT IS MAINTAINED  
12 IN THIS STATE BY AN OUT-OF-STATE BANK IS BEING OPERATED IN VIOLATION OF ANY  
13 LAW OF THIS STATE OR ANY RULE ADOPTED BY THIS STATE OR THAT THE BRANCH IS  
14 BEING OPERATED IN AN UNSAFE OR UNSOUND MANNER, THE SUPERINTENDENT HAS  
15 AUTHORITY TO TAKE ALL ENFORCEMENT ACTIONS AGAINST THAT BRANCH AS IF THE  
16 BRANCH WERE REGULATED PURSUANT TO SECTION 6-201.

17 B. THE SUPERINTENDENT SHALL PROMPTLY NOTIFY THE REGULATORY AGENCY OF  
18 THE OUT-OF-STATE BANK'S HOME STATE OF EACH ENFORCEMENT ACTION TAKEN AGAINST  
19 THE OUT-OF-STATE BANK AND TO THE EXTENT PRACTICABLE SHALL CONSULT AND  
20 COOPERATE WITH THE REGULATORY AGENCIES OF THE OUT-OF-STATE BANK IN PURSUING  
21 AND RESOLVING ANY ENFORCEMENT ACTIONS.

22 Sec. 14. Section 6-1001, Arizona Revised Statutes, is amended to read:

23 6-1001. Definitions

24 In this article, unless the context otherwise requires:

25 1. "Lessee" means a person contracting with a lessor for the use of  
26 a safe deposit repository.

27 2. "Lessor" means a corporation or association authorized under the  
28 laws of this state, ANY OTHER STATE or of the United States to do business  
29 as a bank, trust company, credit union or savings and loan association and  
30 maintaining safe deposit repositories for public use.

31 3. "Safe deposit repository" or "repository" means a safe deposit box  
32 or ANY other safe deposit receptacle and includes THE lessor's vault space  
33 made available for use by the lessee in common with others for the storage  
34 of property or documents.

35 Sec. 15. Section 6-1113, Arizona Revised Statutes, is amended to read:

36 6-1113. Reports; examination; costs

37 A. The superintendent may require reports from and examine financial  
38 institution holding companies and each subsidiary of the holding companies.  
39 The superintendent shall accept the examination and financial reports of the  
40 appropriate federal OR STATE holding company regulatory authority in lieu of  
41 any examination or financial report authorized or required by this chapter.  
42 The reports so accepted are considered for all purposes as official reports  
43 of the department.

1           B. Notwithstanding subsection A of this section, the superintendent  
2 may require reports from and examine financial institution holding companies  
3 and their subsidiaries if it appears to the superintendent that any of these  
4 entities has engaged, is engaging or is about to engage in any act, practice  
5 or transaction which constitutes an unsafe or unsound practice or a violation  
6 of this title or any rule or order of the superintendent. This section does  
7 not prohibit the department from participating with federal regulators in the  
8 examinations to aid in enforcing this title.

9           C. The cost of any examination shall be assessed against and paid by  
10 each financial institution holding company pursuant to section 6-125.

11           Sec. 16. Effective date

12           This act is effective from and after August 31, 1996.

APPROVED BY THE GOVERNOR APRIL 3, 1996

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 3, 1996

**FILED**

**Jane Dee Hull  
Secretary of State**

State of Arizona  
Senate  
Forty-second Legislature  
Second Regular Session  
1996

CHAPTER 82

**SENATE BILL 1064**

AN ACT

AMENDING SECTION 35-457, ARIZONA REVISED STATUTES; RELATING TO PUBLIC BONDS.

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 35-457, Arizona Revised Statutes, is amended to  
3 read:

4 35-457. Sale of bonds; notice; bids; forfeiture of deposit

5 A. Any or all of the bonds may be sold by calling for bids at public  
6 sale or bonds may be sold under an accelerated bidding process. If sold  
7 under an accelerated bidding process, the bonds shall be sold at the lowest  
8 cost the governing body deems then available after having received at least  
9 three pricing quotations from recognized purchasers of bonds of the type  
10 being sold. The bonds may be sold below, at or above par. If the bonds are  
11 sold below par, the aggregate amount of discount plus interest to be paid on  
12 the bonds must not exceed the amount of interest that would be payable on the  
13 bonds over the maturity schedule prescribed by the governing body at the  
14 maximum rate set out in the resolution calling the election at which the  
15 bonds were voted. If sold by public sale before the sale of any bonds the  
16 governing body or board shall at a meeting thereof enter upon its record an  
17 order directing the sale of the bonds and the date and hour of the sale, and  
18 cause a copy of the order to be published at least once a week for two  
19 successive weeks in cities having a population of fifteen thousand or more  
20 persons according to the most recent federal census, and once a week for four  
21 successive weeks in all other political subdivisions before the sale in one  
22 or more designated daily or weekly newspapers, together with a notice that

1 sealed proposals will be received for purchase of the bonds on the date and  
2 hour named in the order.

3 B. If the bonds are sold by public sale, all sealed proposals shall  
4 be received on the date and hour named in the order and the governing body  
5 or board shall award the bonds to the highest and most responsible bidder.  
6 All bids shall be accompanied by a ~~certified check~~ BID GUARANTEE for not less  
7 than two per cent of the total par value of the bonds. THE BID GUARANTEE MAY  
8 BE IN THE FORM OF A CERTIFIED CHECK OR A BOND ISSUED BY A SURETY COMPANY  
9 LICENSED BY THE DEPARTMENT OF INSURANCE TO DO BUSINESS IN THIS STATE. The  
10 governing body or board may reject any and all bids and return such ~~certified~~  
11 ~~checks~~ BID GUARANTEES. If the successful bidder does not carry out the terms  
12 of the proposal to purchase the bonds, the ~~certified check deposited by such~~  
13 ~~bidder~~ BID GUARANTEE shall be ~~cash~~ and the amount thereof forfeited as  
14 stipulated and liquidated damages.

15 C. Notwithstanding any other provision of this section, bonds may be  
16 sold to natural persons residing in this state by negotiated sale on terms  
17 the governing body deems to be the best then available and may bear interest  
18 payable at such times as shall be determined by the governing body. Bonds  
19 may be sold below, at or above par, provided that if the bonds are sold below  
20 par, the aggregate amount of discount plus interest to be paid on the bonds  
21 must not exceed the amount of interest that would be payable on the bonds  
22 over the maturity schedule prescribed by the governing body at the maximum  
23 rate set out in the resolution calling the election at which the bonds were  
24 voted.

APPROVED BY THE GOVERNOR APRIL 3, 1996

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 3, 1996

**FILED**

**Jane Dee Hull  
Secretary of State**

State of Arizona  
House of Representatives  
Forty-second Legislature  
Second Regular Session  
1996

CHAPTER 83

**HOUSE BILL 2089**

AN ACT

AMENDING SECTION 8-225, ARIZONA REVISED STATUTES; AMENDING SECTION 11-584, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1985, CHAPTER 78, SECTION 1; AMENDING SECTION 11-584, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 250, SECTION 1; RELATING TO PUBLIC DEFENDERS.

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 8-225, Arizona Revised Statutes, is amended to  
3 read:

4 8-225. Counsel right of child, parent or guardian; waiver;  
5 appointment; reimbursement; guardian ad litem

6 A. In all proceedings conducted pursuant to this title and the rules  
7 of procedure for the juvenile court, a child has the right to be represented  
8 by counsel.

9 B. If a child, parent or guardian is found to be indigent, the  
10 juvenile court shall appoint an attorney to represent such person or persons  
11 unless counsel for the child is waived by both the child and the parent or  
12 guardian.

13 C. Prior to any court appearance which may result in detention,  
14 institutionalization or mental health hospitalization of a child, the court  
15 shall appoint counsel for the child if counsel has not been retained by or  
16 for the child, unless counsel is waived by both the child and a parent or  
17 guardian with whom the child resides or resided prior to the filing of a  
18 petition. The child, parent or guardian may withdraw the waiver of counsel  
19 at any time.

1 D. Waiver of counsel pursuant to this section is subject to the  
2 provisions of rule 6, subsection (c) of the rules of procedure for the  
3 juvenile court.

4 E. If there appears to be a conflict of interest between a child and  
5 ~~his~~ THE CHILD'S parent or guardian including a conflict of interest arising  
6 from payment of the fee for appointed counsel under subsection G, the  
7 juvenile court may appoint an attorney for the child in addition to ~~that~~ THE  
8 ATTORNEY appointed for the parent or guardian or employed by the parent or  
9 guardian.

10 F. The judge of the juvenile court may fix a reasonable sum to be paid  
11 by the county for the services of an appointed attorney.

12 G. If the court finds that the parent or guardian of a child has  
13 sufficient financial resources to reimburse, at least in part, the costs of  
14 the services of an attorney appointed pursuant to this section, the court  
15 shall order the parent or guardian to pay to the appointed attorney or the  
16 county, through the clerk of the court, an amount that the parent or guardian  
17 is able to pay without incurring substantial hardship to the family. Failure  
18 to obey an order under this subsection is not grounds for contempt or grounds  
19 for withdrawal by the appointed attorney. An order under this section may  
20 be enforced in the manner of a civil judgment.

21 H. In a county where there is a public defender, the public defender  
22 may act as attorney in EITHER:

23 1. A delinquency or incorrigibility proceeding when requested by the  
24 juvenile court.

25 2. ANY OTHER JUVENILE PROCEEDING THAT IS CONDUCTED PURSUANT TO THIS  
26 TITLE IF THE BOARD OF SUPERVISORS AUTHORIZES THE APPOINTMENT OF THE PUBLIC  
27 DEFENDER.

28 I. In all juvenile court proceedings in which the dependency petition  
29 includes an allegation that the child is abused or neglected, the court shall  
30 appoint a guardian ad litem to protect the child's best interests. This  
31 guardian may be an attorney or a court appointed special advocate.

32 Sec. 2. Section 11-584, Arizona Revised Statutes, as amended by Laws  
33 1985, chapter 78, section 1, is amended to read:

34 11-584. Duties: reimbursement

35 A. The public defender shall perform the following duties:

36 1. Upon order of the court, defend, advise and counsel without  
37 expense, subject to the provisions of subsection B, to the defendant any  
38 person who is not financially able to employ counsel in the following  
39 proceedings:

40 (a) Offenses triable in the superior, municipal or justice courts at  
41 all stages of the proceedings, including the preliminary examination, but  
42 only for those offenses which by law require that counsel be provided.

43 (b) Extradition hearings.

1 (c) Sanity hearings only when appointed by the court under provisions  
2 of title 36, chapter 5.

3 (d) Involuntary commitment hearings held pursuant to title 36, chapter  
4 18, only if appointed by the court.

5 (e) Juvenile delinquency and incorrigibility proceedings only when  
6 appointed by the court under provisions of section 8-225.

7 (f) Appeals to a higher court or courts.

8 (g) ALL JUVENILE PROCEEDINGS OTHER THAN DELINQUENCY AND  
9 INCORRIGIBILITY PROCEEDINGS UNDER SUBDIVISION (e), INCLUDING SERVING AS A  
10 GUARDIAN AD LITEM, WHEN APPOINTED BY THE COURT PURSUANT TO SECTION 8-225, IF  
11 THE COURT APPOINTS THE PUBLIC DEFENDER AND THE BOARD OF SUPERVISORS HAS  
12 ADVISED THE PRESIDING JUDGE OF THE COUNTY THAT THE PUBLIC DEFENDER IS  
13 AUTHORIZED TO ACCEPT THE APPOINTMENT.

14 2. Keep a record of all services rendered by ~~him~~ THE PUBLIC DEFENDER  
15 in that capacity and file with the board of supervisors an annual report of  
16 those services.

17 B. Although the services of the public defender shall be without  
18 expense to the defendant the sentencing court may, as a condition of  
19 probation, require that the defendant repay to the county a reasonable amount  
20 to reimburse the county for the cost of such defendant's defense. In  
21 determining the amount and method of payment the court shall take into  
22 account the financial resources of the defendant and the nature of the burden  
23 that such payment will impose.

24 Sec. 3. Section 11-584, Arizona Revised Statutes, as amended by Laws  
25 1995, chapter 250, section 1, is amended to read:

26 11-584. Duties; reimbursement

27 A. The public defender shall perform the following duties:

28 1. Upon order of the court, defend, advise and counsel without  
29 expense, subject to the provisions of subsection B of this section, to the  
30 defendant any person who is not financially able to employ counsel in the  
31 following proceedings:

32 (a) Offenses triable in the superior, municipal or justice courts at  
33 all stages of the proceedings, including the preliminary examination, but  
34 only for those offenses which by law require that counsel be provided.

35 (b) Extradition hearings.

36 (c) Sanity hearings only when appointed by the court under provisions  
37 of title 36, chapter 5.

38 (d) Involuntary commitment hearings held pursuant to title 36, chapter  
39 18, only if appointed by the court.

40 (e) Commitment hearings held pursuant to section 13-4518 only if  
41 appointed by the court.

42 (f) Juvenile delinquency and incorrigibility proceedings only when  
43 appointed by the court under provisions of section 8-225.

44 (g) Appeals to a higher court or courts.

1 (h) ALL JUVENILE PROCEEDINGS OTHER THAN DELINQUENCY AND  
2 INCORRIGIBILITY PROCEEDINGS UNDER SUBDIVISION (f), INCLUDING SERVING AS A  
3 GUARDIAN AD LITEM, WHEN APPOINTED BY THE COURT PURSUANT TO SECTION 8-225, IF  
4 THE COURT APPOINTS THE PUBLIC DEFENDER AND THE BOARD OF SUPERVISORS HAS  
5 ADVISED THE PRESIDING JUDGE OF THE COUNTY THAT THE PUBLIC DEFENDER IS  
6 AUTHORIZED TO ACCEPT THE APPOINTMENT.

7 2. Keep a record of all services rendered by ~~him~~ THE PUBLIC DEFENDER  
8 in that capacity and file with the board of supervisors an annual report of  
9 those services.

10 B. Although the services of the public defender shall be without  
11 expense to the defendant the sentencing court may, as a condition of  
12 probation, require that the defendant repay to the county a reasonable amount  
13 to reimburse the county for the cost of such defendant's defense. In  
14 determining the amount and method of payment the court shall take into  
15 account the financial resources of the defendant and the nature of the burden  
16 that such payment will impose.

17 Sec. 4. Delayed effective date

18 Section 3 of this act is effective on October 1, 1996.

APPROVED BY THE GOVERNOR APRIL 3, 1996

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 3, 1996