House Engrossed

FILED

KEN BENNETT
SECRETARY OF STATE

State of Arizona
House of Representatives
Forty-ninth Legislature
Second Regular Session
2010

CHAPTER 263

HOUSE BILL 2616

AN ACT

AMENDING SECTION 6-126, ARIZONA REVISED STATUTES; REPEALING SECTION 6-140, ARIZONA REVISED STATUTES; AMENDING SECTIONS 6-190 AND 6-510, ARIZONA REVISED STATUTES; RELATING TO BANKS AND FINANCIAL INSTITUTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Section 6-126, Arizona Revised Statutes, is amended to read:

6-126. Application fees for financial institutions and enterprises

A. The following nonrefundable fees are payable to the department with the filing of the following applications:

1. To apply for a banking permit, ten thousand dollars.

2. To apply for an amendment to a banking or savings and loan association permit, one thousand dollars.

3. To establish each banking branch office, one thousand five hundred dollars.

4. To move a banking office to other than an established office of a bank, one thousand dollars.

5. To apply for a savings and loan association permit, ten thousand dollars.

6. To establish each savings and loan association branch office, one thousand five hundred dollars.

7. To move an office of a savings and loan association to other than an established office, one thousand dollars.

8. To organize and establish a credit union, one hundred dollars.

9. To establish each credit union branch ~~or credit union freestanding automated teller machine~~ or to move a credit union office to other than an established office of a credit union, two hundred fifty dollars.

10. To organize and establish any other financial institutions for which an application or investigation fee is not otherwise provided by law, two thousand five hundred dollars.

11. To acquire control of a financial institution, other than a consumer lender, five thousand dollars.

12. To apply for a trust company license, five thousand dollars.

13. To apply for a commercial mortgage banker, mortgage banker, escrow agent or consumer lender license, one thousand five hundred dollars.

14. To apply for a mortgage broker, commercial mortgage broker, sales finance company or debt management company license, eight hundred dollars.

15. To apply for a collection agency license, one thousand five hundred dollars.

16. To apply for a deferred presentment company license, one thousand dollars.

17. To apply for a motor vehicle dealer license, three hundred dollars.

18. To apply for a branch office of an escrow agent, consumer lender, commercial mortgage banker, mortgage banker, trust company, money transmitter, collection agency or deferred presentment company, five hundred dollars.

19. To apply for a branch office of a mortgage broker, commercial mortgage broker, debt management company or sales finance company, two hundred fifty dollars.

20. To apply for approval of the articles of incorporation of a business development corporation, five hundred dollars.

~~21. To establish each freestanding automated teller machine, not otherwise provided by law, five hundred dollars.~~

~~22.~~ 21. To apply for approval for the merger or consolidation of two or more financial institutions, five thousand dollars per institution.

~~23.~~ 22. To apply for approval to convert from a national bank or federal savings and loan charter to a state chartered institution, five thousand dollars.

~~24.~~ 23. To apply for approval to convert from a federal credit union to a state chartered credit union, one thousand dollars.

~~25.~~ 24. To apply for approval to merge or consolidate two or more credit unions, five hundred dollars per credit union.

~~26.~~ 25. To move an established office of an enterprise to other than an established office, fifty dollars.

~~27.~~ 26. To issue a duplicate or replace a lost enterprise's license, one hundred dollars.

~~28.~~ 27. To change a responsible person on a mortgage broker's, commercial mortgage broker's, commercial mortgage banker's or a mortgage banker's license, two hundred fifty dollars.

~~29.~~ 28. To change an active manager on a collection agency license or a manager of a money transmitter branch office license, two hundred fifty dollars.

~~30.~~ 29. To change the licensee name on a financial institution or enterprise license, two hundred fifty dollars.

~~31.~~ 30. To apply for a money transmitter license, one thousand five hundred dollars plus twenty-five dollars for each branch office and authorized delegate to a maximum of four thousand five hundred dollars.

~~32.~~ 31. To acquire control of any money transmitter or controlling person pursuant to chapter 12 of this title, two thousand five hundred dollars.

~~33.~~ 32. To receive the following publications:

(a) Quarterly bank and savings and loan statement of condition, not more than ten dollars per copy.

(b) Monthly summary of actions report, not more than five dollars per copy.

(c) A list of licensees, a monthly pending actions report and all other in-house prepared reports or listings made available to the public, not more than one dollar per page.

~~34.~~ 33. To apply for a loan originator license, an amount to be determined by the superintendent.

~~35.~~ 34. To apply for a loan originator license transfer, an amount to be determined by the superintendent.

~~36.~~ 35. To apply for a conversion from a mortgage banker license to a mortgage broker license, an amount to be determined by the superintendent.

B. On issuance of a license or permit for a financial institution or enterprise, the superintendent shall collect the first year's annual assessment or renewal fee for the financial institution or enterprise prorated according to the number of quarters remaining until the date of the next annual assessment or renewal.

C. The following annual renewal fees shall be paid each year:

1. For an escrow agent, or trust company, one thousand dollars plus two hundred fifty dollars for each branch office.

2. For a debt management company or sales finance company, five hundred dollars plus two hundred dollars for each branch office.

3. For a collection agency, six hundred dollars plus two hundred dollars for each branch office.

4. For a motor vehicle dealer, one hundred fifty dollars.

5. For an inactive mortgage broker or commercial mortgage broker, two hundred fifty dollars.

6. For a mortgage banker that negotiates or closes in the aggregate one hundred loans or less in the immediately preceding calendar year, seven hundred fifty dollars, and for a mortgage banker that negotiates or closes in the aggregate over one hundred loans in the immediately preceding calendar year, one thousand two hundred fifty dollars. In addition, a mortgage banker shall pay two hundred fifty dollars for each branch office.

7. For a commercial mortgage banker, one thousand two hundred fifty dollars. In addition, a commercial mortgage banker shall pay two hundred fifty dollars for each branch office.

8. For a mortgage broker or commercial mortgage broker that negotiates or closes in the aggregate fifty loans or less in the immediately preceding calendar year, two hundred fifty dollars and for a mortgage broker or commercial mortgage broker that negotiates or closes in the aggregate more than fifty loans in the immediately preceding calendar year, five hundred dollars. In addition, a mortgage broker or commercial mortgage broker shall pay two hundred dollars for each branch office.

9. For a consumer lender, one thousand dollars plus two hundred dollars for each branch office.

10. For a money transmitter, five hundred dollars plus twenty-five dollars for each branch office and each authorized delegate to a maximum of two thousand five hundred dollars.

11. For a deferred presentment company, four hundred dollars. In addition, a deferred presentment company shall pay two hundred dollars for each branch office.

12. For a loan originator, an amount to be determined by the superintendent.

13. For an inactive status loan originator, an amount to be determined by the superintendent.

D. The license, renewal or branch office permit fee for a premium finance company for each calendar year or part thereof shall not be less than one hundred dollars or more than three hundred dollars as set by the superintendent. If the license is issued or the branch office is opened after June 30 in any year, the fees shall not be less than fifty dollars or more than one hundred fifty dollars for that year.

Sec. 2. Repeal

Section 6-140, Arizona Revised Statutes, is repealed.

Sec. 3. Section 6-190, Arizona Revised Statutes, is amended to read:

6-190. Bank offices; standards and term of approval; closing; automated teller machines

A. A bank may establish banking offices anywhere in the world with the authorization of the superintendent and upon such conditions as he may prescribe. An application for a banking office shall be in writing in such form as the superintendent prescribes supported by such information, data and records as the superintendent may require to make the findings necessary for approval.

B. In granting the application for a banking office the superintendent shall be guided by the standards prescribed for the issuance of a banking permit insofar as such standards are reasonably applicable.

C. The failure of a bank to open and operate a banking office within one year after the superintendent approves the application shall automatically terminate the approval, except that the superintendent, for good cause shown in writing made before the expiration of the one year period, may extend for additional periods not in excess of six months each the time in which the banking office may be opened.

D. A bank may permanently close less than all of its banking offices on compliance with such requirements of notice as have been prescribed by the superintendent and such closing shall terminate the authority to maintain the office which is closed.

~~E. A bank shall not establish or maintain an automated teller machine without the prior written approval of the superintendent. The application shall state the proposed location of the automated teller machine, the need for the automated teller machine, the functions to be performed by the automated teller machine, the estimated annual expense of the automated teller machine and the mode of payment by the automated teller machine. After considering the application, the superintendent may approve the application if he finds that the establishment and maintenance of the automated teller machine are advisable and in the public interest.~~

E. A BANK MAY ESTABLISH OR MAINTAIN AN AUTOMATED TELLER MACHINE AT LOCATIONS OTHER THAN ITS PLACES OF BUSINESS. THE BANK MUST SEND A NOTIFICATION LETTER TO THE SUPERINTENDENT AT LEAST THIRTY DAYS BEFORE THE AUTOMATED TELLER MACHINE IS ESTABLISHED PURSUANT TO THIS SUBSECTION.

F. A bank may, without the approval of the superintendent and through contractual agreement with one or more other banks or automated teller machine providers, join in the operation of automated teller machine networks.

Sec. 4. Section 6-510, Arizona Revised Statutes, is amended to read:

6-510. Principal place of business; branch office; automated teller machines

A. A credit union may change its principal place of business or branch within this state with the prior approval of the superintendent and the payment of the fee provided in section 6-126.

B. A credit union may establish a branch office with the prior approval of the superintendent.

C. A credit union may establish or maintain automated teller machines at locations other than its places of business ~~on approval of the superintendent~~. THE CREDIT UNION MUST SEND A NOTIFICATION LETTER TO THE SUPERINTENDENT AT LEAST THIRTY DAYS BEFORE THE AUTOMATED TELLER MACHINE IS ESTABLISHED PURSUANT TO THIS SUBSECTION. A credit union may join through contractual agreement with one or more other credit unions or other financial organizations in the operation of automated teller machine networks.

D. A credit union organized under this chapter may conduct business outside of this state in other states or territories of the United States where it is permitted to do so on approval of the superintendent, if it is reasonably necessary to service its members.

APPROVED BY THE GOVERNOR MAY 7, 2010.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 7, 2010.

Passed the House March 3, 2010

by the following vote: 59 Ayes,

0 Nays, 1 Not Voting

Speaker of the House

Chief Clerk of the House

Passed the Senate April 27, 2010

by the following vote: 29 Ayes,

0 Nays, 1 Not Voting

President of the Senate

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

28 day of April, 2010

at 11:30 o'clock A. M.

Secretary to the Governor

Approved this 7 day of

May, 2010

at 10:55 o'clock A. M.

Janice K. Brewer

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 7th day of May, 2010

at 4:30 o'clock P. M.

Secretary of State

H.B. 2616