



STATE OF ARIZONA
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY
GOVERNOR

EXECUTIVE OFFICE

March 16, 2018

The Honorable Michele Reagan
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

Dear Secretary Reagan:

I am transmitting to you the following bills from the Fifty-third Legislature, 2nd Regular Session, which I signed on March 16, 2018:

- HB 2013 trust companies; liquid capital; definition (Finchem)
- HB 2019 civil rights advisory board; continuation (Kern)
- HB 2025 workers' compensation; rate deviations (Livingston)
- HB 2026 county school superintendent; services; entities (Boyer)
- HB 2043 occupational therapy board; continuation (Carter)
- HB 2061 financial institutions department; superintendent duties (Shope)
- HB 2079 single axle tow dolly; definition (Shope)
- HB 2098 insurance; inducements (Livingston)
- HB 2115 bonds; ballot language; procedures (Mitchell)
- HB 2150 manufactured home sales; licensure; exemption (Weninger)
- HB 2178 secretary of state; notary public (Coleman)
- HB 2278 child support rights transfer (Cobb)
- HB 2317 disability plates; permanent placards (John)
- HB 2413 public road maintenance; primitive designation (Cook)
- HB 2484 local food tax; equality (Shope)
- SB 1038 state land sales; payment method (Griffin)
- SB 1042 backflow prevention; state fire code (Kavanagh)
- SB 1057 county school superintendent; report; approval (Burges)
- SB 1072 DCS; contractor employees; fingerprint requirement (Brophy McGee)

SB 1076 assault; public safety contractors; workers (Barto)
SB 1082 full-day kindergarten; instruction requirements (Allen, S.)
SB 1089 purple heart day (Borrelli)
SB 1205 unemployment insurance; educational employers; interest (Fann)
SB 1207 lease authority; airports; air terminals (Pratt)

Sincerely,

A handwritten signature in black ink that reads "Douglas A. Ducey". The signature is written in a cursive style with a large initial 'D' and a prominent flourish at the end.

Douglas A. Ducey
Governor
State of Arizona

cc: Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service

House Engrossed

FILED

MICHELE REAGAN
SECRETARY OF STATE

State of Arizona
House of Representatives
Fifty-third Legislature
Second Regular Session
2018

CHAPTER 3

HOUSE BILL 2013

AN ACT

AMENDING SECTION 6-851, ARIZONA REVISED STATUTES; RELATING TO TRUST COMPANIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 6-851, Arizona Revised Statutes, is amended to
3 read:
4 6-851. Definitions
5 A. In this chapter, unless the context otherwise requires:
6 1. "Trust business" means the holding out by a person to the public
7 at large by advertising, solicitation or other means that the person is
8 available to act as a fiduciary in this state and accepting and
9 undertaking to perform the duties as such a fiduciary in the regular
10 course of business.
11 2. "Trust company" means a corporation holding a certificate issued
12 under this article.
13 B. In this article, unless the context otherwise requires:
14 1. "Agent" means a person who receives compensation to regularly
15 perform services specifically related to the conduct of the trust
16 business.
17 2. "Asset" means any property or property right held by a licensee
18 for the benefit of another.
19 3. "Capital" means the total of outstanding common stock, preferred
20 stock and surplus and undivided profits.
21 4. "Certificate" means a certificate of authority issued under this
22 chapter to engage in trust business.
23 5. "Contingency plan" means a document stating a trust company's
24 means of conducting business and preserving records in the event of any
25 power outage, flood or other physical emergency.
26 6. "Discretionary assets" means those assets in which the trust
27 company has the unilateral authority to determine investment strategies
28 and execute investment transactions without seeking the concurrence,
29 approval or authority from the customer or any other external party.
30 7. "Fiduciary" means a personal representative, administrator,
31 guardian, conservator, trustee, agent or other person who acts in a
32 fiduciary capacity and who is not exempt by section 6-852.
33 8. "Impaired" or "insolvent" means the trust company does not
34 possess assets that are at least equal to liabilities, required reserves
35 and total issued and outstanding capital.
36 9. "LEGAL TENDER" MEANS A MEDIUM OF EXCHANGE, INCLUDING SPECIE,
37 THAT IS AUTHORIZED BY THE UNITED STATES CONSTITUTION OR CONGRESS FOR THE
38 PAYMENT OF DEBTS, PUBLIC CHARGES, TAXES AND DUES.
39 9. 10. "Liquid capital" means LEGAL TENDER, capital in the form of
40 certificates of deposit issued by banks, savings banks or savings and loan
41 associations doing business in this state and insured by the federal
42 deposit insurance corporation or any successor institution, including
43 deposits to a single depository where excess deposit insurance is provided
44 through a reciprocal deposit arrangement by participating banks, or direct

1 obligations of the United States government with maturity of not more than
2 five years.

3 ~~10.~~ 11. "Nondiscretionary assets" means those assets for which the
4 trust company must obtain from the customer, broker or investment advisor
5 specific direction and instructions regarding both investment strategies
6 and investment executions.

7 12. "SPECIE" MEANS COINS HAVING PRECIOUS METAL CONTENT.

8 ~~11.~~ 13. "Surplus" means the total amount paid by shareholders in
9 excess of the par or stated value of the shares of capital stock of a
10 trust business in consideration for the shares.

APPROVED BY THE GOVERNOR MARCH 16, 2018

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 16, 2018

Passed the House February 6, 20 18

Passed the Senate March 14, 20 18

by the following vote: 33 Ayes,

by the following vote: 17 Ayes,

24 Nays, 2 Not Voting
1 vacant

13 Nays, 0 Not Voting

[Signature]
Speaker of the House

[Signature]
President of the Senate

Pro Tempore
[Signature]
Chief Clerk of the House

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

15 day of March, 20 18

at 8:59 o'clock A M.

[Signature]
Secretary to the Governor

Approved this 16th day of

March 2018

at 10:56 o'clock A M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 16th day of March, 20 18

at 12:19 o'clock P M.

[Signature]
Secretary of State

H.B. 2013