

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

CHAPTER 8

HOUSE BILL 2061

AN ACT

AMENDING SECTION 6-122, ARIZONA REVISED STATUTES; RELATING TO THE
DEPARTMENT OF FINANCIAL INSTITUTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 6-122, Arizona Revised Statutes, is amended to
3 read:

4 6-122. Superintendent; authority; duties

5 A. The superintendent has the authority and responsibility for the
6 discharge of all duties imposed by law on the department.

7 B. The superintendent shall:

8 1. Examine or cause to be examined each financial institution
9 annually, except financial institution holding companies, banks, savings
10 and loan associations, credit unions and consumer lenders, and more
11 frequently if the superintendent considers it necessary.

12 2. Examine or cause to be examined each bank, credit union and
13 savings and loan association at the superintendent's discretion but at
14 least once in every twenty-four month period.

15 3. Examine or cause to be examined the business and affairs of any
16 enterprise and any consumer lender for the purpose of administering and
17 enforcing this title at the superintendent's discretion ~~but at least once~~
18 ~~in a five-year period.~~

19 4. Examine or cause to be examined financial institution holding
20 companies as frequently as the superintendent considers necessary to
21 administer and enforce this title.

22 5. Notwithstanding paragraph 3 of this subsection, examine or cause
23 to be examined the accounts held in trust by each escrow agent at least
24 once in every two-year period pursuant to section 20-1593 and examine or
25 cause to be examined each escrow agent at least once in every four-year
26 period or more frequently if the superintendent considers it necessary.

27 ~~6. Notwithstanding paragraph 3 of this subsection, examine or cause~~
28 ~~to be examined each premium finance company at least once in every~~
29 ~~three-year period and more frequently if the superintendent considers it~~
30 ~~necessary.~~

31 ~~7.~~ 6. Publish a consumer information brochure that includes:

32 (a) The finance charges permitted by this state.

33 (b) The types of insurance that may be offered but that are not
34 required by law to be purchased with the granting of a loan.

35 (c) Interest rate limitations on all lenders including amounts that
36 may not be charged to borrowers.

37 (d) Consumer rights and means of recourse from unfair
38 practitioners.

39 ~~8.~~ 7. Make it a priority to encourage the growth of
40 state-chartered financial institutions in this state and by February 1 of
41 each calendar year notify the governor, the president of the senate and
42 the speaker of the house of representatives if the total number of
43 state-chartered banks or state-chartered credit unions decreases during
44 the prior calendar year.

1 C. Notwithstanding subsection B, paragraph 5 of this section, an
2 escrow agent shall be examined within twelve months when an escrow agent's
3 license is transferred or assigned pursuant to section 6-813 or when
4 control of the license is otherwise acquired.

5 ~~D. Subsection B, paragraph 3 of this section does not apply to~~
6 ~~motor vehicle dealers, sales finance companies or persons licensed under~~
7 ~~chapter 12 of this title.~~

APPROVED BY THE GOVERNOR MARCH 16, 2018.

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