

REFERENCE TITLE: financial institutions; examinations; military lending

State of Arizona
House of Representatives
Fifty-fourth Legislature
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2020

HB 2513

Introduced by
Representatives Butler: Andrade, Blackman, Blanc, Campbell, Espinoza,
Fernandez, Fillmore, Friese, Lawrence, Lieberman, Salman, Terán

AN ACT

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

(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 division.

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. EXCEPT AS PROVIDED IN PARAGRAPH 8 OF THIS SUBSECTION, examine or
16 cause to be examined the business and affairs of any enterprise and any
17 consumer lender for the purpose of administering and enforcing this title
18 at the superintendent's discretion.

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 and examine or cause to be examined each
25 escrow agent at least once in every four-year period or more frequently if
26 the superintendent considers it necessary.

27 6. Publish a consumer information brochure that includes:

28 (a) The finance charges ~~permitted~~ ALLOWED by this state.

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

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

33 (d) Consumer rights and means of recourse from unfair
34 practitioners.

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

40 8. EXAMINE OR CAUSE TO BE EXAMINED ENTERPRISES, CONSUMER LENDERS
41 AND PREMIUM FINANCE COMPANIES AT LEAST ONCE IN EVERY FIVE-YEAR PERIOD TO
42 ENSURE COMPLIANCE WITH 10 UNITED STATES CODE SECTION 987.

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