

HOUSE BILL 347

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

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AN ACT

RELATING TO TRUST COMPANIES; INCREASING THE FEE FOR
CERTIFICATES; INCREASING MINIMUM CAPITAL REQUIREMENTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 58-9-1 NMSA 1978 (being Laws 1973,
Chapter 191, Section 1) is amended to read:

"58-9-1. SHORT TITLE.--~~[Sections 1 through 13 of this~~
~~act]~~ Chapter 58, Article 9 NMSA 1978 may be cited as the "Trust
Company Act"."

SECTION 2. Section 58-9-5 NMSA 1978 (being Laws 1973,
Chapter 191, Section 5) is amended to read:

"58-9-5. APPLICATION FOR CERTIFICATE--FEE.--

A. An application for a certificate shall be in
writing, in such form as the ~~[commissioner]~~ director
prescribes, verified under oath and supported by such

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1 information, data and records as the [~~commissioner~~] director
2 may require.

3 B. Each application for a certificate shall be
4 accompanied by an application fee of [~~five hundred dollars~~
5 ~~(\$500)~~] one thousand dollars (\$1,000), made payable to the
6 [~~commissioner~~] financial institutions division of the
7 regulation and licensing department. No portion of the
8 application fee shall be refunded."

9 SECTION 3. Section 58-9-6 NMSA 1978 (being Laws 1973,
10 Chapter 191, Section 6, as amended) is amended to read:

11 "58-9-6. MINIMUM CAPITAL.--A certificate shall not be
12 issued to an applicant having a paid-up capital of less than
13 [~~one hundred fifty thousand dollars (\$150,000)~~] five hundred
14 thousand dollars (\$500,000). The minimum capital requirement
15 shall be waived for nonprofit corporations."

16 SECTION 4. Section 58-9-10 NMSA 1978 (being Laws 1973,
17 Chapter 191, Section 10, as amended) is amended to read:

18 "58-9-10. IMPAIRMENT OF CAPITAL--UNSAFE CONDITIONS--
19 RECEIVERSHIP.--If it appears to the director [~~of the financial~~
20 ~~institutions division~~] that the capital of a trust company is
21 either reduced or impaired below [~~one hundred fifty thousand~~
22 ~~dollars (\$150,000)~~] five hundred thousand dollars (\$500,000),
23 except for nonprofit corporations, or the affairs of the
24 company are in an unsound condition, the director shall order
25 the company to make good any deficit or to remedy the unsafe

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1 condition of its affairs within sixty days of the date of the
2 order and may restrict and regulate the operation of the trust
3 business until the capital is restored. If the deficiency in
4 capital has not been made good and the unsafe condition
5 remedied within the prescribed time, the director may apply to
6 the district court in the county in which the principal office
7 of the company is located to be appointed receiver for the
8 liquidation or rehabilitation of the company. The expense of
9 the receivership shall be paid out of the assets of the trust
10 company."