

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.--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 director prescribes, verified
under oath and supported by such information, data and records
as the director may require.

B. Each application for a certificate shall be
accompanied by an application fee of one thousand dollars
(\$1,000), made payable to the financial institutions division
of the regulation and licensing department. No portion of the
application fee shall be refunded."

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

"58-9-6. MINIMUM CAPITAL.--A certificate shall not be
issued to an applicant having a paid-up capital of less than

five hundred thousand dollars (\$500,000). All trust companies that have been issued certificates pursuant to the Trust Company Act as of December 31, 2012 shall meet the increased paid-up capital requirement of five hundred thousand dollars (\$500,000) on or before December 31, 2017. The minimum capital requirement shall be waived for nonprofit corporations."

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

"58-9-10. IMPAIRMENT OF CAPITAL--UNSAFE CONDITIONS--RECEIVERSHIP.--If it appears to the director that the capital of a trust company is either reduced or impaired below five hundred thousand dollars (\$500,000), except for nonprofit corporations, or the affairs of the company are in an unsound condition, the director shall order the company to make good any deficit or to remedy the unsafe condition of its affairs within sixty days of the date of the order and may restrict and regulate the operation of the trust business until the capital is restored. If the deficiency in capital has not been made good and the unsafe condition remedied within the prescribed time, the director may apply to the district court in the county in which the principal office of the company is located to be appointed receiver for the liquidation or rehabilitation of the company. The expense of the receivership shall be paid out of the assets of the trust

company."

SECTION 5. EFFECTIVE DATE.--

A. The effective date of the provisions of Sections 1 through 3 of this act is June 14, 2013.

B. The effective date of the provisions of Section 4 of this act is July 1, 2017. _____