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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.--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

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

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

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

1 company."

2 SECTION 5. EFFECTIVE DATE.--

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

5 B. The effective date of the provisions of Section
6 4 of this act is July 1, 2017. _____

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