The Arizona State Legislature adjourned *sine die* on April 24, 2014. The following bills were passed and signed into law by Governor Janice K. Brewer. If you have questions relating to the bills below please contact the Department’s Legislative Liaison at ldettorre@azdfi.gov. The general effective date for legislation is July 24, 2014 unless otherwise stated.

*Please be advised that this list is not comprehensive and therefore may not include all bills that directly or indirectly affect DFI licensees. Please visit the state legislature’s website at [http://www.azleg.gov/](http://www.azleg.gov/) for more information.*

**SB 1314 Board, department and commission continuations**
This legislation continues the Arizona Department of Financial Institutions for 10 years until 2024.  
*SB 1314 was signed by the Governor on April 30, 2014.*

ARS Titles Affected: 41

**HB 2098 Loan originators**
This legislation amends the requirements for obtaining a loan originator license to conform to federal law as follows:

- Removes the requirement for an applicant to pass a loan originator’s examination not more than one year before the granting of the license;
- Increases the time required for an applicant for an original loan originator’s license to complete a course of study to *three* years immediately preceding application;
- Requires late continuing education be completed to satisfy continuing education for the last year in which the loan originator was in renewable status;
- Stipulates that the loan originator’s examination must be retaken if the licensed loan originator failed to maintain a valid license for a period of five years or longer, not including any time during which the applicant is a registered loan originator;
- Removes the time limit a licensee may not be on inactive status during renewal periods.

*HB 2098 was signed by the Governor on April 23, 2014.*

ARS Titles Affected: 6

**HB 2099 Collection agencies; license renewal**
This legislation establishes renewal, suspension, and expiration deadlines for a collection agency license as follows:

- States that an applicant must file a financial statement no later than March 1, if granted an extension to file;
- Specifies a license not renewed by January 1 is suspended;
- Allows a suspended license to be renewed upon submission of proper application and payment of prescribed fees including any additional late fees before January 31;
- States a license not renewed before January 31 is expired.

*HB 2099 was signed by the Governor on April 17, 2014.*

ARS Titles Affected: 32

**HB 2018 Mortgages; trust deeds; deficiency actions**
Specifies that “anti-deficiency” protection does not apply to mortgages and deeds of trust that originate after December 31, 2014 for the following types of property:
– Owned by a person who is engaged in the business of construction and selling dwellings that were acquired by the person in the course of that business and that is subject to a mortgage or deed of trust given to secure payment of a loan for construction of a dwelling on the property for sale to another person;
– Contains a dwelling that was never substantially completed; and
– Contains a dwelling that is intended to be utilized as a dwelling but is never actually utilized as a dwelling.

*HB 2018 was signed by the Governor on April 22, 2014.*

ARS Titles Affected: 33

**SB 1046 Financial transactions; omnibus**
This legislation makes various changes to statute relating to secured transactions in personal property, financial institutions lending limits, and irrigation districts investments; specifies that the calculation of the total amount of all loans to a person must include any credit exposure to a person arising from a derivative transaction, repurchase agreement, reverse repurchase agreement, securities lending transaction, or securities borrowing transaction between the bank and the person; defines derivative transaction.

*SB 1046 became effective upon the signature of the Governor on April 22, 2014.*

ARS Titles Affected: 6, 35, 47, 48

**HB 2526 Consumer lender loans**
Modifies the finance charge structure of consumer lender loans and increases the loan origination fee cap;

– Increases the cap on the loan origination fee from $75 to $150;
– Allows a consumer lender to give a consumer any prize, good, wear, merchandise, or tangible property in an aggregated amount of up to $25;
– Prohibits a consumer lender from increasing the established rate on a loan that was issued prior to the effective date of this act when modifying or restructuring such loan provided that the total new cash advances of the loan does not exceed $100;
– Prohibits a consumer lender from holding a person responsible for a loan that was incurred as a result of theft or fraud;
– Requires a consumer lender to correct any derogatory credit information reported to a consumer reporting agency within 30 days after knowledge that the loan was a result of such theft or fraud.

*HB 2526 was signed by the Governor on April 17, 2014.*

ARS Titles Affected: 6

**HB 2109 Certificates of title; vehicles; transfer**
This legislation specifies that a licensed motor vehicle dealer has 30 days to submit the application for a certificate of title to a motor vehicle.

*HB 2109 was signed by the Governor on April 15, 2014.*

ARS Titles Affected: 28

**SB 1047 Closing protection letters; escrow agents**
This legislation permits a title insurer to provide a closing protection letter to any person that is a party to a transaction in which a title insurance policy will be issued; requires a title insurer to charge each party receiving the
closing protection letter a fee of up to $25 which is earned upon the closing of the transaction; states the fee is not subject to any agreement requiring a division of fees or premiums collected on behalf of the title insurer.  
*SB 1047 was signed by the Governor on April 24, 2014.*

ARS Titles Affected: 6

**HB 2287 County treasurer; lien sale**  
Strikes the requirement that a county sheriff sell a foreclosed property to the county in which the property is assessed if there is no bid sufficient to repay all back taxes, interest and costs of sale.

- Requires the purchaser of a lien, if the lien is not redeemed, to name the county treasurer as a party to the action of foreclosing the right to redeem.
- Stipulates that a civil penalty assessed on a real property, reclassified from class 3 to class 4, may not be imposed if the ownership of the property has changed after the notice of reclassification was issued.  
*HB 2287 was signed by the Governor on April 23, 2014.*

ARS Titles Affected: 40, 42

**SB 1408 Money transmitters; money laundering; definitions**  
Updates statutory references to reflect changes made in federal code regarding money laundering, money transmitters, and financial institutions.  
*SB 1408 was signed by the Governor on April 24, 2014.*

ARS Titles Affected: 6, 13

**HB 2703 General appropriations; 2014-2015**  
The general “feed bill” contains appropriations for state agencies and programs. Details of the provisions can be found in the legislation.  
*HB 2703 was signed by the Governor on April 11, 2014.*