

This rule was filed as 12 NMAC 20.4.9.

TITLE 12 TRADE, COMMERCE AND BANKING
CHAPTER 20 SAVINGS AND LOAN ASSOCIATIONS
PART 49 EXPANDED POWERS

12.20.49.1 ISSUING AGENCY: Financial Institutions Division of the Regulation and Licensing Department, 725 St. Michael's Drive, Santa Fe, New Mexico 87504. Telephone No. (505) 827-7100.
[10/15/82; 9/15/97; Recompiled 10/15/01]

12.20.49.2 SCOPE: All savings and loan associations chartered by the state of New Mexico.
[9/15/97; Recompiled 10/15/01]

12.20.49.3 STATUTORY AUTHORITY: Sections 58-10-72 and 58-10-83 NMSA 1978.
[9/15/97; Recompiled 10/15/01]

12.20.49.4 DURATION: Permanent.
[9/15/97; Recompiled 10/15/01]

12.20.49.5 EFFECTIVE DATE: October 15, 1982, unless a later date is cited at the end of a section or paragraph. Reformatted in NMAC format effective September 15, 1997.
[10/15/82; 9/15/97; Recompiled 10/15/01]
[Compiler's note: The words *or paragraph*, above, are no longer applicable. Later dates are now cited only at the end of sections, in the history notes appearing in brackets.]

12.20.49.6 OBJECTIVE: The objective of this sub-part [now part] is to expand the powers of savings and loan associations.
[9/15/97; Recompiled 10/15/01]

12.20.49.7 DEFINITIONS: [RESERVED]
[9/15/97; Recompiled 10/15/01]

12.20.49.8 EXPANDED POWERS:

A. Demand deposits: An association may accept non-interest-bearing demand deposits from: (a) a commercial, corporate, business or agricultural entity for the sole purpose of effectuating payments thereto by a nonbusiness customer; or (b) any person or organization having a business, corporate, commercial or agricultural loan relationship with the association. An association may extend secured or unsecured credit in the form of overdraft privileges specifically related to demand deposits, but such overdraft loans must be aggregated with other commercial loans for purposes of the five percent of assets limitation. Overdraft loans made under authority of this regulation must be made pursuant to proper underwriting and with due regard for safety and soundness.

B. Governmental unit now accounts: An association may offer NOW accounts as defined in OTS Regulations Section 561.29 for deposit of public funds by an officer, employee or agent of the United States, any state, county, municipality or political subdivision thereof, the District of Columbia, the commonwealth of Puerto Rico, American Samoa, Guam, any territory or possession of the United States or any political subdivision thereof.

C. Commercial loans: An association may invest up to five percent of its assets in secured or unsecured loans for commercial, corporate, business or agricultural purposes provided that loans to any one borrower shall not exceed the limits of OTS Regulations Section 563.93(c). Commercial loans made under authority of this regulation must be made with proper underwriting and with due regard for safety and soundness.

D. Consumer loans: An association may invest up to 30 percent of its assets in consumer loans. Investments in consumer loans no longer need to be aggregated with investments made in commercial paper and corporate debt securities. Section 2.1 (a) of Regulation 80-5 S and LB [now Paragraph (1) of Subsection A of 12.20.34.8 NMAC] is herewith rescinded.
[10/15/82; 9/15/97; Recompiled 10/15/01]

HISTORY OF 12.20.49 NMAC:

Pre-NMAC History: The material in this part was derived from that previously filed with the state records center under:
Regulation 82-4 S&LB, Expanded Powers, filed 12/1/82.

History of Repealed Material: [RESERVED]