

# ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

## Tribal Consultation Policy

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**Date:** June 20, 2008

### PURPOSE

This policy establishes the basic principles governing the Arizona Department of Financial Institutions' (AZDFI) relations with the 22 federally-recognized American Indian Tribes ("Tribes") in the State of Arizona. It also complies with Executive Order 2006-14 which ordered that all executive branch agencies develop and implement tribal consultation policies to guide their work and interaction with the Tribes.

### INTRODUCTION

AZDFI's mission is "To regulate the financial industry to promote integrity within the industry and to foster economic growth while providing outstanding consumer support."

AZDFI licenses, examines and regulates 17 licensee types, comprising 4,200 licenses, including state-chartered banks and credit unions, mortgage bankers and brokers, escrow agents, money transmitters, deferred presentment companies (payday lenders), collection agencies, motor vehicle dealers, and sales finance companies.

There are 22 Tribal governments within the State of Arizona that have jurisdiction over approximately 28% of the land base.

Matters with licensees regulated by AZDFI cross political boundaries, thus encouraging cooperation on issues that affect both AZDFI and the Tribes. Coordination efforts on these issues could provide a model and a practical basis for overall State-Tribal cooperation. It is primarily through specific, program-level interactions that mutual trust and understanding are developed.

### POLICY

AZDFI recognizes the sovereignty of Tribal governments and their jurisdiction over lands within Indian Country as defined by federal law. [The definition in federal law includes all lands within reservation boundaries (18 U.S.C.A. §1151).] AZDFI will not

assert authority over Indian Country. Further, AZDFI recognizes that the federal government has the primary responsibility for assisting Tribes on issues within Indian Country.

In accordance with the Executive Order, AZDFI will:

- To the extent practicable and permitted by law, seek input from appropriate elected or appointed tribal officials before undertaking any action or policy that will, or is reasonably believed to, have the potential to affect a tribal community or its members.
- To the fullest extent possible and to the best of our ability, integrate the input generated from tribal consultation into our decision-making processes to achieve mutually acceptable solutions.
- When the opportunity presents itself, support the strengthening of Tribal capacity for dealing with issues that involve licensees regulated by AZDFI. AZDFI's support to Tribes will be provided in the interest of the State and will not be used as the basis for assertion of State authority within Indian Country.

## **RESPONSIBILITY**

Responsibility for the enforcement of this policy lies with the division managers and the Office of the Superintendent.

## **PROCEDURES**

1. AZDFI will not conduct any activities within Indian Country without first receiving an invitation from the appropriate Tribal official.
2. AZDFI will enter into Intergovernmental Agreements (IGA) or Memoranda of Understanding (MOU) when considered mutually beneficial by AZDFI and an interested Tribal Government.
3. AZDFI will conduct training, when appropriate and as resources allow, to encourage and improve Departmental/Tribal understanding and communication. AZDFI will open its training programs to Tribal officials and Tribal staff whenever appropriate.
4. AZDFI will provide early notification to Tribes about decisions that may affect them. AZDFI requests reciprocity by Tribes.
5. AZDFI will share appropriate technical information and data with Tribes. AZDFI requests that Tribes share appropriate technical data with AZDFI as well. Due to the nature of its business, AZDFI has very restrictive confidentiality statutes that may preclude an exchange of some information depending upon the issue.

6. AZDFI staff will relay Tribal issues, including requests from Tribes for technical assistance, to the appropriate division manager(s) as soon as possible.
7. AZDFI staff will obtain approval from their division manager before initiating contacts with Tribes. This does not apply to referral of complaints to the Tribes or contact on ongoing issues previously approved by the division managers and/or the Superintendent.
8. AZDFI is committed to developing cooperative relationships with Tribes.

**APPROVED BY:**

Arizona Department of Financial Institutions:

/s/ Felecia Rotellini

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Felecia Rotellini, Superintendent