

BANKING
DEPARTMENT OF BANKING AND INSURANCE
DIVISION OF BANKING

Dedicated Funding
Depositories

Adopted Amendments: N.J.A.C. 3:1-2.3, 2.23, 2.24, 6.6, 6.7, 7.1, 7.2, 7.3, and 18.7; 3:6-8.2 and 17.2; 3:12-2.4; 3:13-1.2, 2.3, 2.4 and 5.3; 3:21-1.2 and 3.4; 3:32-3.3; and 3:35-1.5.

Adopted Repeals: N.J.A.C. 3:1-6.1, 6.2, 6.3, and 6.4; and 3:21-1.6.

Proposed: January 3, 2006 at 38 N.J.R. 5(a).

Adopted: May 24, 2006 by Steven M. Goldman, Commissioner, Department of Banking and Insurance.

Filed: May 25, 2006 as R. 2006 d.233, **with substantive changes** not requiring public notice and comments (see N.J.A.C. 1:30-6.3).

Authority: N.J.S.A. 17:1-8, 17:1-15e, and 17:1C-33 et seq.

Effective Date: June 19, 2006.

Expiration Date: September 2, 2006, N.J.A.C. 3:1;
November 16, 2006, N.J.A.C. 3:6;
December 3, 2007, N.J.A.C. 3:12;
July 3, 2007, N.J.A.C. 3:13;
June 10, 2007, N.J.A.C. 3:21;
February 19, 2009, N.J.A.C. 3:32;
September 4, 2006, N.J.A.C. 3:35

Summary of Public Comment and Agency Response:

No public comments were received.

Summary of Changes upon Adoption:

Upon adoption, the Department is amending N.J.A.C. 3:1-6.7. In a comment on another dedicated funding proposal, PRN 2006-20, published at 38 N.J.R. 10(a) simultaneously with the publication of the notice proposing these amendments, one commenter noted that N.J.A.C. 3:1-6.7 provides that, if a check in payment of an examination charge, application fee or other fee or

charge is returned, the Department will notify the licensee in writing. Pursuant to that rule, the maker of the check would then have a 20-day period within which to submit payment via a certified or cashier's check plus an additional \$10.00. Upon adoption, the Department is amending N.J.A.C. 3:1-6.7 to ensure that all entities subject to the assessments imposed by N.J.A.C. 3:5 understand that, with regard to a check submitted in payment of an assessment that is returned, the more specific provisions of N.J.A.C. 3:1-7.6(b) would apply, and not the general text in N.J.A.C. 3:1-6.7 applicable to all persons or entities that submit a dishonored or returned check to the Department in payment of a fee other than a dedicated funding assessment. Because the change upon adoption is a clarification that reconciles an existing rule with a newly adopted rule and adds no new requirements, the change can be made upon adoption without additional public notice and comment.

Federal Standards Statement

The adopted amendments and repeals are not subject to any Federal standards or requirements. Therefore, a Federal standards analysis is not required.

Full text of the adoption follows (additions to proposal indicated in boldface with asterisks

thus):

3:1-6.7 Failure to pay fees or examination charges

(a) If a person pays an examination charge, application fee, license fee or any other fee or charge ***, other than an assessment made under N.J.A.C. 3:5,*** with a check which is returned for insufficient funds or is not paid for any other reason, the Department shall advise the

person by letter. The person shall have 20 days from the date of such letter to provide the Department with a certified or cashier's check payable to the Treasurer, State of New Jersey for the amount of the dishonored check plus \$10.00. If the Department does not receive a certified or cashier's check within 20 days of the date of this letter, the Department shall suspend the license of the person or the authority of the person to conduct business in this State until payment by certified or cashier's check is received. ***N.J.A.C. 3:1-7.6(b) shall apply to all returned checks submitted in payment of assessments imposed pursuant to N.J.A.C. 3:5.***

(b) – (c) (No change from proposal.)

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