

BANKING
DEPARTMENT OF BANKING AND INSURANCE
DIVISION OF BANKING

Dedicated Funding
Depositories

Proposed 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.

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

Authorized By: Donald Bryan, Acting Commissioner, Department of Banking and Insurance.

Authority: N.J.S.A. 17:1-8, 17:1-15e, and 17:1C-33 et seq. (P.L. 2005, c. 199)

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2006-19

Submit comments by March 4, 2006 to:

Douglas A. Wheeler, Assistant Commissioner
Legislative and Regulatory Affairs
New Jersey Department of Banking and Insurance
P.O. Box 325
Trenton, NJ 08625-0325
Fax: (609) 292-0896
Email: Legsregs@dobi.state.nj.us

The agency proposal follows:

Summary

On August 18, 2005, N.J.S.A. 17:1C-33 et seq., (the "Act") established an assessment funding mechanism for the support of the Division of Banking in the Department of Banking and Insurance.

N.J.S.A. 17:1C-45a of that Act stated that a regulated entity paying the amounts assessed to it under this mechanism would be exempt from all fees and charges, with the exception of certain enumerated fees. Instead, funding will be provided by an assessment of all regulated

entities in accordance with regulations promulgated by the Commissioner of Banking and Insurance. Therefore, numerous rules throughout Title 3 of the Administrative Code must be amended, removing all fees except those enumerated in N.J.S.A. 17:1C-45a. The fees to be retained include charter fees, application fees for licenses, mortgage solicitor registration application fees and fees for entry by a foreign depository institution. The proposed amendments conform provisions of existing rules to the new legislation. In addition, these amendments are concurrently being proposed with rules that implement the new funding mechanism.

The Department proposes to amend N.J.A.C. 3:1-2.3(a) to eliminate the requirement of an application fee to establish a branch office or a mini-branch office.

The Department proposes to amend N.J.A.C. 3:1-2.3(b), to eliminate the application fee to relocate a principal office, full branch or mini-branch office from one location to another in this State.

The Department proposes to amend N.J.A.C. 3:1-2.3(c) to eliminate the application fee to relocate a branch office or mini-branch office from a location outside New Jersey to another location in that State.

The Department proposes to amend N.J.A.C. 3:1-2.3(d) to eliminate the application fee to interchange a branch office with a principal office.

The Department proposes to amend N.J.A.C. 3:1-2.23 and 2.24 to eliminate a number of fees that will no longer be required with the advent of the dedicated funding assessment. Several remaining fees will also be recodified and amended to provide that the fee will not be charged if the requestor is subject to the dedicated funding assessment. N.J.A.C. 3:1-2.23(b)2 is proposed to be amended to provide that the fee is required only as part of an application to enter the State through acquisition.

N.J.A.C. 3:1-2.24(b) is proposed to be amended to add a new paragraph (b)1 to indicate there is a \$1,500 fee for an out-of-State association to file an application to open, occupy or maintain a branch of a savings and loan association if that branch would be the out-of-State association's first branch in this State. This amendment conforms this rule to N.J.A.C. 3:1-2.23(b) with respect to the identical application fee imposed upon out-of-State banks and savings banks initially entering New Jersey through a branch office. N.J.A.C. 3:1-2.24(b)2 is proposed to be amended to provide that the fee referenced therein is required only as part of an application to enter the State. This fee is also identical to the one that would be paid by a person acquiring a branch of a bank or savings bank.

The Department proposes to repeal N.J.A.C. 3:1-6.2 which is the current assessment imposed on certain banks, savings banks, and state associations. It is being replaced by proposed N.J.A.C. 3:5, published elsewhere in this issue of the New Jersey Register) which implements the dedicated funding assessment. N.J.A.C. 3:1-6.1 is proposed to be repealed as it contains definitions that pertain to the current assessment. In conjunction with the proposed repeal and replacement, N.J.A.C. 3:1-6.3, which prescribes the payment dates of the current assessment, N.J.A.C. 3:1-6.4 which establishes the effective date of the current assessment and N.J.A.C. 3:1-6.5, the provision for an annual review of the current assessment, are also proposed to be repealed.

In addition, N.J.A.C. 3:1-6.6, Examination charge, is proposed to be amended to amend the heading to "Examination charge and per diem rate." Further, the substance of the amendment is to eliminate the current N.J.A.C. 3:1-6.6(a), which is the examination charge per diem rate for banks, savings banks, savings and loan associations, (also referred to as depository institutions) or a holding company. The provision is no longer necessary as these entities will be

subject to the dedicated funding assessment, and no individual examination fee will be charged to these entities.

N.J.A.C. 3:1-6.6(b) is proposed to be amended to remove the reference to the entities that are no longer subject to the examination charge and per diem rate of \$42.00. These entities no longer will be charged an examination charge, as they will be subject to the dedicated funding assessment. Those not subject to the assessment for dedicated funding will remain subject to the current examination charge. Because of the amendment here, the Department also proposes to amend N.J.A.C. 3:1-18.7(b) to delete the reference to the per diem examination rate for depository institutions as that is being deleted as noted above. The effect of the amendment in N.J.A.C. 3:1-18.7(b) will be that service facilities that are examined will pay the \$42.00 an hour per diem charge for examinations. This is a modest increase from \$38.00 to \$42.00 in a fee that has not been increased in many years.

The Department proposes to amend N.J.A.C. 3:1-6.7 to replace the current term “licensee” with the terms “person” or “person or the authority of the person to conduct business in this State” as appropriate. The section heading is also proposed to be amended to delete the reference to license charges.

The heading of N.J.A.C. 3:1-7 is proposed for amendment to reflect the deletion of most fees.

The Department proposes to amend N.J.A.C. 3:1-7.1 to delete the references therein to a “biennial” license period, which the Department considers unnecessary and too specific, and to the fees for licensee name changes. The Department proposes to amend N.J.A.C. 3:1-7.2 to delete the reference to the necessity for a fee for a duplicate license or certificate.

The Department proposes to amend N.J.A.C. 3:1-7.3(a) and (b) to clarify that requests for a certificate of standing or licensee verification would not require payment of a fee if the requester is subject to the Department's dedicated funding assessment.

The Department proposes to amend N.J.A.C. 3:6-8.2(a) to eliminate the application fee to convert from a savings bank to an association or a bank.

The Department proposes to amend N.J.A.C. 3:6-17.2 to eliminate the application fee to convert from a bank to a capital stock savings bank.

The Department proposes to amend N.J.A.C. 3:12-2.4 to change from December 31 to April 1 the date for a qualified corporation to file their annual report with the Department. This is necessary in order that, unless otherwise prescribed by statute, all annual reports filed by entities regulated by the Division of Banking have an April 1 filing deadline. An identical amendment is being proposed for qualified educational institutions in N.J.A.C. 3:35-1.5. For the same reason, an amendment is proposed to N.J.A.C. 3:13-2.4(a) with respect to the annual reports referenced therein.

The Department proposes to amend N.J.A.C. 3:13-1.2 to clarify that the application fee to acquire a New Jersey bank or bank holding company is still required if the applicant is not already subject to the Department's dedicated funding assessment. In addition, N.J.A.C. 3:13-2.3 and 2.4 are proposed to be amended to eliminate the filing fee for required reports, as those submitting reports will be subject to the dedicated funding assessment. Consequently, such additional fees are no longer permitted.

The Department proposes to amend N.J.A.C. 3:13-5.3 to eliminate the application fee for an organizing mutual savings bank that applies to form a mutual savings bank holding company. As the underlying institution would be subject to the dedicated funding assessment, the

additional fee is not required. An identical amendment is proposed at N.J.A.C. 3:32-3.3 for organizing mutual state associations seeking to form a mutual state association holding company.

The Department proposes to amend N.J.A.C. 3:21-1.2 to clarify that the application fee to be designated as a low income credit union is not required if the applicant is making the request at the same time as it is seeking its initial incorporation as a credit union.

The Department proposes to amend N.J.A.C. 3:21-3.4 to eliminate the filing fee to establish a branch office and to repeal N.J.A.C. 3:21-1.6 to eliminate the examination fees for low income credit unions. These amendments are also necessitated by enactment of the Act.

The Department's rule proposal provides for a comment period of 60 days, and therefore, pursuant to N.J.A.C. 1:30-3.3(a)5, is not subject to the provisions of N.J.A.C. 1:30-3.1 and 3.2 governing rulemaking calendars.

Social Impact

The implementation of the dedicated funding of the Division of Banking through the proposed amendments and repeals will have a positive effect on the Division of Banking, the industries and individuals that the Division regulates and the general public. The use of dedicated funding ensures that the Division has adequate funding to effectively protect and educate consumers and to regulate the industries in an efficient and timely manner. Moreover, the new system promotes administrative efficiencies for industry by streamlining the number of fees paid and by providing more predictability on the financial burden imposed upon the affected industries by the regulatory system. Finally, enhancing the efficiency and timeliness of the regulation of the affected industries should foster a business environment which promotes growth, financial stability and efficiency.

Economic Impact

The Department does not expect that the proposed amendments and repeals will have a significant economic impact on most regulated entities. The Department believes that its current fees and assessments are reasonable and that the new assessment system should result in overall costs to regulated entities that, on average, are about the same as those that currently exists. Entities that transact a larger volume of business and require the expenditure of a larger percentage of the Division's resources to effectively regulate and service their operations may experience an increase in their overall costs. Ultimately, regardless of an entity's size or business volume, regulatory fees are a necessary cost of transacting business in New Jersey.

Regulated entities will need to compile the necessary information for the new assessment funding system and forward it to the Department in their annual reports. The information to be reported is already being maintained, in most cases, by the regulated entities and most of the information is currently being supplied to the Department. Regulated entities may employ outside professional assistance from accountants and attorneys for compliance, but such assistance should not be necessary. The costs of this will vary depending on the professional utilized and the services requested.

The proposed amendments and repeals will affect economically all the industries and individuals who are regulated by the Division of Banking. The proposed amendments and repeals allow for the fair and equitable allocation of the cost of regulation among those who are regulated by the Division. The proposed amendments and repeals seek to assure that all the regulated entities, regardless of size, pay the costs associated with the basic services provided by the Department that are related to their regulation. The proposed amendments and repeals also

seek to assure that those entities which generate more work and expense for the Division, due to its greater regulatory responsibilities with respect to such industries, bear the cost of their regulation in a manner which takes that greater burden into account. The proposed amendments and repeals implement N.J.S.A. 17:1C-33 et seq. and eliminate many separate fees currently charged, which will result in substantial efficiencies for the regulated industries and the Department, as the submission and processing of numerous small payments each year will no longer be required.

In addition, the proposed amendment to N.J.A.C. 3:1-18.7(b) will result in bank service facilities that are examined paying a \$42.00 per hour charge, up from the current \$38.00. The fee has not been increased in many years and the increase reflects the current costs to the Department. Lastly, the proposed fee in N.J.A.C. 3:1-2.24(b)1 for out-of-State associations entering New Jersey is the same fee charged to out-of-State bankers for the entry of banks and savings banks. Thus it is a reasonable and anticipated fee in the banking industry.

Federal Standards Statement

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

Jobs Impact

The Department does not anticipate that any jobs will be lost or gained as a result of the proposed amendments and repeals.

The Department invites commenters to submit any data or studies concerning the jobs impact of the proposed amendments and repeals together with their written comments on other aspects of this proposal.

Agriculture Industry Impact

The Department does not expect any agriculture industry impact from the proposed amendments and repeals.

Regulatory Flexibility Analysis

Many financial institutions are small businesses as that term is defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-1 et seq. Most of the amendments and repeals being proposed will delete from the affected rules references to certain fees which, pursuant to the Act, may no longer be charged to regulated entities assessed under the new dedicated funding process. Certain proposed amendments impose compliance requirements on all applicants and licensees. Compliance requirements and costs are discussed in the Summary and the Economic Impact above.

No differentiation is made for small businesses because the requirement that financial institutions operate in a responsible manner is an important financial safeguard for small, as well as large financial institutions, and for their customers. The purpose of these requirements is to maintain the viability of New Jersey's regulatory system for the financial services industry, to promote healthy competition, impose fees commensurate with the level of regulatory efforts required for that type of business and to make financial services available to the general public. These purposes do not vary with business size.

It is anticipated that no professional services beyond those currently utilized by the regulated entities will need to be used in order for those entities to comply with the proposed amendments.

Smart Growth Impact

The proposed amendments and repeals will have no impact on the achievement of smart growth and implementation of the State Development and Redevelopment Plan.

Full text of the proposed amendments follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

Full text of the rules proposed for repeal may be found in the New Jersey Administrative Code at N.J.A.C. 3:1-6.2, 6.3 and 6.4, and 3:21-1.6.

3:1-2.3 Branch applications of depositories

(a) An application by a depository to establish a branch office or a minibranch office shall contain the following items before it will be accepted by the Department:

1. (No change.)
- [2. The required application filing fee;]
- Recodify existing 3. - 6. as **2. – 5.** (No change in text.)

(b) An application by a depository to relocate a principal office, full branch or minibranch office from a location in this State to another location in this State, shall contain the following items before it will be accepted by the Department:

1. (No change.)
- [2. The required application filing fee;]

Recodify existing 3. – 5. as 2. – 4. (No change in text.)

(c) An application by a depository to relocate a branch office or minibranch office from a location outside this State to another location in that state shall contain the following items before it will be accepted by the Department:

- 1. (No change.)
- [2. The required application filing fee;]

Recodify existing 3. – 5. as 2. – 4. (No change in text.)

(d) An application by a depository to interchange a branch office and a principal office shall contain the following items before it will be accepted by the Department:

- 1. (No change.)
- [2. The required application filing fee;]

Recodify existing 3. – 4. as 2. – 3. (No change in text.)

(e) – (i) (No change.)

3:1-2.23 Fees; banks and savings banks

(a) A bank or savings bank shall pay to the Commissioner for use of the State the following fees:

- 1. (No change.)
- [2. For filing an application for approval of
 - the establishment of a full branch office \$1,500
 - i. Additional full branch offices with the
 - same application, per branch \$1,000
 - ii. For an expedited branch approval \$1,000

- 3. For filing an application for approval of the establishment of a mini-branch office \$1,000
- 4. For filing an application for approval of a change in location of principal office or full branch office \$500.00
- 5. For filing an application for approval of the cost of the establishment of an auxiliary office \$500.00
- 6. For an application for approval of an interchange between principal office and full branch office \$500.00
- 7. For filing an agreement of merger, per bank \$3,000]
- [8.] **2.** For filing plans of acquisition, per company, per bank or savings bank; **the fee is charged if the requester is not subject to assessment pursuant to N.J.A.C. 3:5 but no fee shall be charged if the requestor is subject to assessment** \$3,000
- [9. For filing an application for conversion:
 - i. From a mutual to a stock savings bank \$3,500
 - ii. From a savings bank to an association \$10,000
 - iii. From a savings bank to a bank \$10,000
 - iv. From a bank to a savings bank \$10,000

- v. From a bank to a savings bank to an association in a simultaneous application \$10,000
- 10. For filing a copy of reorganization \$1,000
- 11. For the issuance by the Commissioner of a certificate of authority \$500.00
- 12. For filing a certificate of amendment of a certificate of incorporation, or an amended certificate of incorporation \$200.00
- 13. For filing any other certificate \$50.00
- 14. For filing a required report \$100.00
- 15. For filing a required affidavit \$50.00
- 16. For filing proof of publication, or other required proof \$50.00]
- [17.]**3.** For the issuance of a certified copy of any certificate of incorporation or merger or plan of reorganization or any other certificate or affidavit filed in the Department, plus \$2.00 per page **if the requester is not subject to assessment pursuant to N.J.A.C. 3:5 but no fee shall be charged if the requester is subject to assessment** \$25.00
- [18. For filing a pension plan \$500.00
- 19. For filing an amendment or alteration

to a pension plan \$200.00]

[20.] **4.** For the issuance of any other approval by

the Commissioner, plus per diem charges

where applicable; the fee is charged if the

requester is not subject to assessment

pursuant to N.J.A.C. 3:5 but no fee shall be

charged if the requestor is subject to

assessment \$100.00

[21. For the issuance of any extension by the

Commissioner, plus per diem charges

where applicable \$50.00

22. For filing a certificate of discontinuance

and/or closing a branch office \$100.00]

(b) An out-of-State bank shall pay to the Commissioner for use of the State the following fees:

1. (No change.)

2. For filing an application for approval of a

change of location of a New Jersey branch

office as a part of an application to enter the

State through acquisition \$100

3. (No change.)

(c) (No change.)

(d) The Department shall, upon written request, furnish verification of a State-chartered bank, savings bank or savings and loan's authority to conduct business in New Jersey. The fee shall be \$25.00 per verification **if the requester is not subject to assessment pursuant to N.J.A.C. 3:5 but no fee shall be charged if the requester is subject to assessment.**

3:1-2.24 Fees, State associations

(a) Every State association shall pay to the Commissioner the following fees:

- 1.-2. (No change.)
- [3. Application for a bulk sale, pursuant to
 N.J.S.A. 17:12B-204 \$500.00
- 4. Application for a conversion:
 - i. From a mutual to a stock association \$3,500
 - ii. From an association to a savings bank \$10,000
 - iii. From an association to a savings bank to
 a bank in a simultaneous application \$10,000
- 5. Application for a merger:
 - i. Per insured association \$3,000
 - ii. Per institution when one or more is an
 uninsured association \$1,500
- 6. Application to establish a branch office, not
 pursuant to a merger or bulk purchase \$1,500
 - i. Additional full branch offices with the
 same application, per branch \$1,000

- ii. Expedited branch approval \$1,000
- 7. Application to interchange a principal and branch office when such interchange involves two separate municipalities \$500.00
- 8. Application to interchange a principal and branch office within the same municipality \$500.00
- 9. Application to change location of a principal office to another municipality \$500.00
- 10. Application to change location of branch office beyond 1,500 feet but within same municipality \$500.00
- 11. Application to change location of branch office to another municipality \$500.00
- 12. Application to share facilities \$100.00
- 13. Application for approval of a savings and loan holding company where the resulting holding company will own 100 percent of the insured association as its only capital through an exchange of stock \$2,000
- 14. Filing plans of acquisition, stock savings and loan and existing holding companies \$3,000
- 15. Application for change of name \$50.00]
- [16.]**3.** Certification by the Commissioner of papers or records on file with the Department, plus

\$2.00 per page for each certification **if the requester is not subject to assessment pursuant to N.J.A.C. 3:5 but no fee shall be charged if the requester is subject to assessment** \$25.00

[17. Annual report or certificate \$50.00

18. Dissolution \$250.00

19. Filing of any other certificate \$50.00

20. Issuance of any other approval by the Commissioner, plus a per diem \$100.00

21. For filing a certificate of discontinuance and/or closing a branch office \$100.00]

(b) [Every] **Each** out-of-State association shall pay to the Commissioner the following fees:

- 1.** **For filing an application to acquire a branch, if the branch would be the out-of-State association's first branch in this State** **\$1,500**
- [1.] **2.** For filing an application for approval of a change of location of a New Jersey branch office **as part of an application to open, occupy or maintain a branch** \$100.00
- [2.] **3.** (No change in text.)

(c) (No change.)

3:1-6.6 Examination charge **and per diem rate**

[(a) The individual per hour per person examination charge for an examination of a bank, savings bank, savings and loan association or holding company shall be \$38.00, plus \$15.00 per day for travel expenses.]

[(b)] **(a)** The individual per hour per person examination charge for an examination of [a licensee, credit union, trust company, out-of-State bank, out-of-State association or trust department of a bank, savings bank or savings and loan association, or any person not specified in this section] **a person not assessed under N.J.A.C. 3:5** shall be \$42.00, plus \$15.00 per day for travel expenses for in-State travel. **This examination charge is also referred to as the per diem rate.** The fee for out-of-State travel shall approximate the cost of this travel.

[(c)] **(b)** The Department shall bill [institutions in (a) and (b) above] **examination charges** in increments of one-half hour.

3:1-6.7 Failure to pay [license and] **fees or** examination charges

(a) If a [licensee] **person** pays an examination charge, application fee, [license fee] or any other fee or charge with a check which is returned for insufficient funds or is not paid for any other reason, the Department shall advise the [licensee] **person** by letter. The [licensee] **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 [licensee]

person or the authority of the person to conduct business in this State until payment by certified or cashier's check is received.

(b) If a [licensee] **person** fails to pay an examination charge within 30 days after the bill is sent, the Department shall send a second billing. The [licensee] **person** shall have 20 days from the date of such letter to provide the Department with payment of the fee. If the [licensee] **person** fails to provide such payment within 20 days, the Department shall suspend the license of the [licensee] **person or the authority of the person to conduct business in this State** until payment is received.

(c) Prior to a [license] suspension set forth in (a) or (b) above, [a licensee] **the person** may request a hearing pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1. The [licensee] **person** shall place the disputed amount in escrow pending disposition of the hearing and shall provide proof of same to the Department.

SUBCHAPTER 7. MISCELLANEOUS [FEES]

3:1-7.1 Name change

[(a)] A licensee who makes any change in name shall, within 10 days of such change, submit written proof of the name change to the Commissioner, and shall surrender its license or licenses for issuance of a new license or licenses reflecting the change. The licensee shall submit evidence of the name change in the form of a copy of the amended certificate of incorporation, alternate name registration, or amended certificate of authority bearing the dated filing stamp of the Department of Treasury, Division of Revenue or a copy of the trade name certificate filed with the office of the county clerk of the county in which the business is located. [The licensee shall also submit to the Department the fee or fees, made payable to the Treasurer, State of New

Jersey provided in Schedule A below.] Within 30 days of receipt of the notice of name change, and all documentation [and fees] necessary to effectuate the change, the Commissioner shall issue a new license that reflects the change. While the licensee is awaiting the issuance of the license, the licensee may continue in business, provided that all documents [and fees] are supplied, unless the licensee receives a notice of suspension or revocation, or unless the [biennial] licensing period, **if any**, expires.

[1. Schedule A:

- i. Motor vehicle installment seller - \$75.00;
- ii. Licensed lender - \$75.00;
- iii. Home repair contractor - \$75.00;
- iv. Home financing agency - \$75.00;
- v. Money transmitter or foreign money
Transmitter - \$75.00;
- vi. Pawnbroker - \$75.00;
- vii. Check casher - \$75.00;
- viii. Insurance premium finance company - \$75.00;
- ix. Debt Adjusters - \$75.00.

(b) For all licensees with more than one office, the Department shall impose a \$25.00 fee for each license at a branch office affected by the name change.]

3:1-7.2 Duplicate licenses and certificates

- (a) - (b) (No change.)

[(c) The licensee shall pay to the Department the fee or fees provided in Schedule B of this subchapter for such licenses or certificates.

1. Schedule B:
 - i. Motor vehicle installment seller - \$25.00;
 - ii. Licensed lender - \$25.00;
 - iii. Home repair contractor - \$25.00;
 - iv. Home financing agency - \$25.00;
 - v. Money transmitter or foreign money transmitter - \$25.00;
 - vi. Pawnbroker - \$25.00;
 - vii. Check casher - \$25.00;
 - viii. Home repair salesperson - \$25.00;
 - ix. Insurance premium finance company - \$25.00;
 - x. Debt Adjusters - \$35.00;
 - xi. Mortgage solicitor - \$15.00.]

3:1-7.3 Requests for certificate of standing, licensee verification, licensing statutes and licensee listings

(a) The Department shall furnish, upon written request, a certificate of standing with seal for a licensee. The fee shall be \$30.00 per certificate **if the requester is not subject to assessment pursuant to N.J.A.C. 3:5 but no fee shall be charged if the requester is subject to assessment.**

(b) The Department shall furnish upon written request a licensee verification, indicating if a person or entity is licensed and its main office. The fee shall be \$10.00 per verification **if the requester is not subject to assessment pursuant to N.J.A.C. 3:5 but no fee shall be charged if the requester is subject to assessment.**

(c) (No change.)

SUBCHAPTER 18. FOREIGN BANK AND ASSOCIATIONS; REGISTRATION OF SERVICE FACILITIES

3:1-18.7 Examination of service facilities

(a) (No change.)

(b) The cost for the examination of a service facility shall be paid by the foreign financial institution and shall be billed at the Department's per diem rate [for examinations of depository institutions] (see: N.J.A.C. 3:1-6.6).

CHAPTER 6

GENERAL PROVISIONS

SUBCHAPTER 8. CONVERSIONS OF SAVINGS BANK CHARTERS

3:6-8.2 Application for conversation

(a) An application for a conversion from a savings bank to an association or bank shall contain the following:

1. - 7. (No change.)

8. A business plan for three years; **and**

9. Copies of all applications for Federal regulatory approval and all approvals required in connection with the conversion, or, if no application or approval is required, a statement or opinion of counsel to that effect .[:; and

10. The application fee for the conversion.]

(b) (No change.)

SUBCHAPTER 17. CONVERSIONS OF BANK CHARTERS

3:6-17.2 Application for conversion

(a) An application for a conversion from a bank to a capital stock savings bank shall contain the following:

1. - 7. (No change.)

8. A business plan for the capital stock savings bank for three years; **and**

9. Copies of all applications for Federal regulatory approval and all approvals required in connection with the conversion, or, if no application or approval is required, a statement or opinion of counsel to that effect,[]; and

10. The application fee for the conversion.]

(b) (No change.)

CHAPTER 12

REGISTRAR AND TRANSFER AGENTS

3:12-2.4 Filing of annual report

(a) As of [December 31] **April 1** of each year, each qualified corporation shall file an annual report on a form approved by the Commissioner containing the following:

1. - 7. (No change.)

(b) (No change.)

CHAPTER 13

BANK HOLDING COMPANIES

3:13-1.2 Application

(a) An application except as provided in (e) below to acquire a New Jersey bank or New Jersey bank holding company shall contain the following information on a form provided by the Department:

1. – 5. (No change.)

6. An application fee of \$1,000 **if the requester is not subject to assessment pursuant to N.J.A.C. 3:5 but no fee shall be charged if the requester is subject to assessment.**

(b) – (e) (No change.)

3:13-2.3 Reporting for bank holding companies

(a) Each bank holding company or person that controls a New Jersey bank or a New Jersey bank holding company which is required to file with the Federal Reserve System form FR Y-9C entitled “Consolidated Financial Statements for Bank Holding Companies with total consolidated assets of \$150,000,000 or more or with more than one subsidiary bank,” shall concurrently file a copy of its June 30 and December 31 report with the Commissioner. [A filing fee of \$50.00 shall accompany the submitted reports.]

(b) Each bank holding company or person that controls a New Jersey bank or a New Jersey bank holding company which is required to file with the Federal Reserve System form FR Y-9LP entitled “Parent Company Only Financial Statements for Bank Holding Companies with total consolidated assets of \$150,000,000 or more or with more than one subsidiary bank,” shall concurrently file a copy of its June 30 and December 31 report with the Commissioner. [A filing fee of \$50.00 shall accompany the submitted reports.]

(c) Each bank holding company or person that controls a New Jersey bank or a New Jersey bank holding company which is required to file with the Federal Reserve System form FR Y-9SP entitled “Parent Company Only Financial Statements for One Bank Holding Companies” with total consolidated assets of \$150,000,000” shall concurrently file a copy of this report with the Commissioner. [A filing fee of \$50.00 shall accompany the submitted reports.]

(d) Each bank holding company or person that controls a New Jersey bank or a New Jersey bank holding company which is required to file with the Federal Reserve System form FR Y-6 entitled “Annual Report for Bank Holding Companies” shall concurrently file a copy of this report with the Commissioner. The copy of FR Y-6 filed with the Commissioner shall include the required copy of the bank holding company’s annual report to shareholders or the required copy of form 10K to the Securities and Exchange Commission. [A filing fee of \$50.00 shall accompany the submitted reports.]

(e) Each bank holding company or person that controls a New Jersey bank or a New Jersey bank holding company which is required to file with the Federal Reserve System form FR Y-6A entitled “Bank Holding Company Report Changes in Investments or Activities” shall concurrently file a copy of this report with the Commissioner. [A filing fee of \$50.00 shall accompany the submitted reports.]

(f) Each bank holding company or person that controls a New Jersey bank or a New Jersey bank holding company which is required to file with the Federal Reserve System form FR Y-111 entitled “Annual Report of Selected Financial Data for Non-Bank Subsidiaries of Bank Holding Companies” shall concurrently file a copy of this report with the Commissioner. [A filing fee of \$50.00 shall accompany the submitted reports.]

(g) Each bank holding company or person that controls a New Jersey bank or a New Jersey bank holding company which is required to file with the Federal Reserve System form FR Y-11Q entitled “Combined Federal Statement of Non-Bank Subsidiaries of Bank Holding Companies” shall concurrently file a copy of its June 30 and December 31 report with the Commissioner. [A filing fee of \$50.00 shall accompany the submitted reports.]

(h) Each bank holding company or person that controls a New Jersey bank or a New Jersey bank holding company which is required to file with the Federal Reserve System form FR Y-11AS entitled “Annual Supplement to the Combined Financial Statements of Non-Bank Subsidiaries of Bank Holding Companies” shall concurrently file a copy of this report with the Commissioner. [A filing fee of \$50.00 shall accompany the submitted reports.]

(i) Each bank holding company or person that controls a New Jersey bank or a New Jersey bank holding company which is not required to file with the Federal Reserve System shall:

1. (No change.)
2. If the bank holding companies or person that controls a New Jersey bank or a New Jersey bank holding company is not required to file a form 10K with the Securities and exchange Commission, the bank holding company shall annually, on or before April 30 of each year, file with the Commissioner the following information:

- i. – v. (No change.)

- vi. A statement of assets and liabilities of the company for each of the five preceding fiscal years, together with related statements of income and sources and applications of funds for each of those fiscal years. [; and

3. Submit a filing fee of \$100.00 with the filed report.]

3:13-2.4 Reporting for persons other than bank holding companies

(a) Each person who controls a New Jersey bank or New Jersey bank holding company that does not file a report with any other bank supervisory agency shall annually file with the Commissioner, on or before April [30] 1 of each year, the following information on forms provided by the Department:

1. – 2. (No change.)

3. A description of pending legal or administrative proceedings in which the person is a party and any criminal indictment or conviction of the individual issued by a state or federal court; **and**

4. A statement of assets and liabilities of the person for each of the five preceding fiscal years, together with related statements of income and sources and applications of funds for each of those fiscal years. [; and

5. A filing fee of \$100.00.]

SUBCHAPTER 5. MUTUAL SAVINGS BANK HOLDING COMPANIES

3:13-5.3 Application

(a) The board of directors of an organizing mutual savings bank may apply to form a mutual savings bank holding company by submitting the following to the Commissioner:

1. – 6. (No change.)

7. A business plan for the mutual savings bank holding company and subsidiary capital stock savings bank; **and**

8. A copy of any applications for establishment of a mutual savings bank holding company filed with any Federal regulator. [; and

9. An application fee of \$10,000.]

(b) -(d) (No change.)

CHAPTER 21

CREDIT UNIONS

3:21-1.2 Application for designation as a low-income credit union

(a) (No change.)

(b) An applicant shall submit the following to the Department:

1. - 2. (No change.)

3. An application fee of \$50.00 **if the applicant is an existing credit union seeking designation, but no fee other than an incorporation application fee of \$50.00 shall be charged to a credit union seeking designation as a part of its incorporation application;**

and

4. (No change.)

(c) (No change.)

3:21-3.4 Content of branch applications of credit unions

(a) An application by a New Jersey State chartered credit union to establish a branch office shall contain:

1. (No change.)

[2. A filing fee of \$25.00);]

Recodify existing 3. - 6 as **2. -5.** (No change in text.)

(b) – (c) (No change.)

CHAPTER 32

CONVERSIONS OF ASSOCIATIONS

SUBCHAPTER 3. MUTUAL STATE ASSOCIATION HOLDING COMPANIES

3:32-3.3 Application

(a) The board of directors of an organizing mutual state association may apply to form a mutual state association holding company by submitting the following to the Commissioner:

1. - 4. (No change.)

5. Proposed by-laws of the surviving subsidiary capital stock state association and mutual state association holding company; **and**

6. A copy of any applications for establishment of a mutual state association holding company filed with any Federal regulator, [; and

7. An application fee of \$10,000.]

(b) - (d) (No change.)

CHAPTER 35

QUALIFIED EDUCATIONAL INSTITUTIONS

3:35-1.5 Filing of annual report

(a) On or before [December 31] **April 1** of each year, each qualified institution shall file an annual report on a form approved by the Commissioner containing the following:

1. - 5. (No change.)

(b) (No change.)