

RULE ADOPTIONS

BANKING

(a)

DIVISION OF BANKING

Notice of Readoption Investments

Readoption: N.J.A.C. 3:11

Authority: N.J.S.A. 17:1-8, 17:1-8.1, 17:1-15.e, 17:2-10, 17:9A-24, 17:9A-24.13, 17:9A-25(12), 17:9A-25.3, 17:9A-26(7), 17:9A-60, 17:9A-62, 17:9A-182.1 through 17:9A-182.3, 17:12B-165, and 17:12B-168.

Authorized By: Justin Zimmerman, Acting Commissioner,
Department of Banking and Insurance.

Effective Date: June 12, 2024.

New Expiration Date: June 12, 2031.

Take notice that pursuant to N.J.S.A. 52:14B-5.1, the rules at N.J.A.C. 3:11 were scheduled to expire on July 17, 2024. These rules implement many essential provisions of the Banking Act of 1948 and its subsequent amendments (N.J.S.A. 17:9A-1 et seq.) and the Savings and Loan Act of 1963 and its subsequent amendments (N.J.S.A. 17:12B-1 et seq.). The chapter includes rules concerning the following subjects: loan and investment approval; organization and operation of small business investment companies; investment by bank in capital stock of a bank principally engaged in international or foreign banking; investment by a bank, savings bank, or State association in capital stock of domestic operating subsidiaries; approved stock investments; limitation of liability to a bank, savings bank or State association; savings banks investment securities; standby letters of credit; savings banks and State association credit cards; restrictions of leeway investments; savings banks; commercial loans; and restrictions on officers and directors.

The Department of Banking and Insurance has reviewed these rules and has determined that the rules are necessary, reasonable, and proper for the purpose for which they were originally promulgated. Therefore, pursuant to N.J.S.A. 52:14B-5.1.c, these rules are hereby readopted and shall continue in effect for a seven-year period.

(b)

DIVISION OF BANKING

Notice of Readoption Insurance Premium Finance Company Act

Readoption: N.J.A.C. 3:22

Authority: N.J.S.A. 17:1-8.1, 17:1-15.e, and 17:16D-7 and 8.

Authorized By: Justin Zimmerman, Acting Commissioner,
Department of Banking and Insurance.

Effective Date: June 12, 2024.

New Expiration Date: June 12, 2031.

Take notice that pursuant to N.J.S.A. 52:14B-5.1, the rules at N.J.A.C. 3:22 were scheduled to expire on July 20, 2024. The rules implement the Insurance Premium Finance Company Act, N.J.S.A. 17:16D-1 et seq., regarding the licensing and regulation of insurance premium finance companies.

N.J.A.C. 3:22-1.1 sets forth definitions and terms used in the chapter. N.J.A.C. 3:22-1.2 sets forth requirements concerning a premium finance agreement including: requiring disclosure in the premium financing agreement of the key elements prior to the signature of the insured; prohibiting continuing agreements; requiring separately signed premium finance agreements for each personal lines policy financed; and requiring disclosure of current conditions and provisions applicable to each loan. With respect to commercial policies, N.J.A.C. 3:22-1.2 provides that

companies may use either separately signed premium finance agreements or one agreement to cover the financing of multiple commercial policies, so long as they are issued through the same producer. N.J.A.C. 3:22-1.3 provides that each insurance premium finance company licensee file an annual report as required pursuant to N.J.S.A. 17:16D-7 and permits the Department of Banking and Insurance (Department) to assess a penalty against a licensee who files late.

The Department has reviewed these rules and has determined that the rules are necessary, reasonable, and proper for the purpose for which they were originally promulgated. Therefore, pursuant to N.J.S.A. 52:14B-5.1.c, these rules are hereby readopted and shall continue in effect for a seven-year period.

(c)

DIVISION OF BANKING

Notice of Readoption Check Cashing

Readoption: N.J.A.C. 3:24

Authority: N.J.S.A. 17:1-8, 17:1-15.e, and 17:15A-52.

Authorized By: Justin Zimmerman, Acting Commissioner,
Department of Banking and Insurance.

Effective Date: June 12, 2024.

New Expiration Date: June 12, 2031.

Take notice that pursuant to N.J.S.A. 52:14B-5.1, the rules at N.J.A.C. 3:24 were scheduled to expire on July 17, 2024. The rules implement the Check Cashers Regulatory Act of 1993, N.J.S.A. 17:15A-30 et seq. (Act), regarding the licensing and regulation of check cashers.

N.J.A.C. 3:24-1 provides definitions of key terms and prescribes requirements for applications and licensing fees for check cashers.

N.J.A.C. 3:24-2 requires an applicant for a check cashing license to furnish proof of net worth and liquid assets as required at N.J.S.A. 17:15A-37 in the form of an unqualified audited financial statement and in the event the licensee utilizes the services of an accountant who does not maintain a New Jersey office, to make their accountant's records of the licensee's operations available for inspection in New Jersey.

N.J.A.C. 3:24-3 requires the applicant to demonstrate compliance with applicable State, county, and municipal laws and ordinances.

N.J.A.C. 3:24-4 sets forth limits on the fees, which a licensee may charge for cashing a check, and prescribes the location and content of signs which a licensee must post at every location where checks are cashed.

N.J.A.C. 3:24-5 regulates licensees' conduct of business, including check cashing procedures, recordkeeping, cash reconciliation, deposits, and prohibitions on commingling funds or the records of the check cashing business with those of any other business that may, in accordance with N.J.S.A. 17:15A-47.e and f, be conducted on the same premises.

N.J.A.C. 3:24-6 sets forth requirements for annual reports to the Commissioner of Banking and Insurance (Commissioner) and provides authority for the Commissioner to require additional reports.

The Department of Banking and Insurance has reviewed these rules and has determined that the rules should be readopted without amendment. The rules are necessary, reasonable, and proper for the purpose for which they were originally promulgated. Therefore, pursuant to N.J.S.A. 52:14B-5.1.c, these rules are readopted and shall continue in effect for a seven-year period.