

Statements of the individual assessments made pursuant to this subsection and in accordance with N.J.A.C. 3:5-4 shall be distributed via mailing among all regulated entities.

(c) The Commissioner shall certify the amount of the individual assessment issued to each regulated entity. Each regulated entity shall remit the amount so certified and assessed to it to the Department. Amounts collected by the Department shall be used for reimbursement to the State for expenses incurred in connection with the special functions of the Division relative to the financial regulation, supervision and monitoring of depository institutions and other financial entities it charters, licenses or registers, provided that the amount collected for those expenses shall not exceed the amount appropriated by the Legislature for those expenses.

SUBCHAPTER 4. ASSESSMENT COMPUTATION FORMULA

3:5-4.1 Departmental expenses

(a) The direct expenses of the Office of Depositories and the Office of Consumer Finance shall be maintained and allocated to each Office separately.

(b) Centralized expenses such as the Commissioner's Office, and other centralized operating units which supply support to Depositories and Consumer Finance shall be apportioned between Depositories and Consumer Finance on the basis of the percentage of full time employees in each Office.

(c) The direct expenses for Depositories shall be added to the Depositories' apportioned share for centralized expenses. This will produce the total amount of the expenses for Depositories for the preceding fiscal year.

(d) The direct expenses for Consumer Finance will be added to the apportioned share for centralized expenses attributable to Consumer Finance. This will produce the total amount of the expenses for Consumer Finance for the preceding fiscal year.

3:5-4.2 Total assessments

(a) All regulated entities shall be assessed a total assessment. The total assessment shall consist of the total of a base assessment and a volume assessment if applicable.

(b) For the purposes of determining the total assessment for licensees under the Licensed Lenders Act, N.J.S.A. 17:11C-1 et seq., the New Jersey Residential Mortgage Lending Act, N.J.S.A. 17:11C-51 et seq. or the New Jersey Consumer Finance Licensing Act, N.J.S.A. 17:11C-1 to 43, licensees with more than one authority shall pay an aggregate base assessment consisting of a separate base assessment for each separate authority, which shall be added to a single volume assessment, if any, based on the aggregate dollars loaned or the equivalent for all their authorities.

Amended by R.2011 d.294, effective December 19, 2011.

See: 43 N.J.R. 1629(a), 43 N.J.R. 3331(a).

In (b), inserted "the New Jersey Residential Mortgage Lending Act, N.J.S.A. 17:11C-51 et seq. or the New Jersey Consumer Finance Licensing Act, N.J.S.A. 17:11C-1 to 43".

3:5-4.3 Base assessments

(a) Base assessments shall be determined by the Commissioner in accordance with N.J.S.A. 17:1C-46 taking into account such factors as the average size of the regulated entities within each regulated industry and the extent of the Division's regulatory activities required with respect to each type of regulated industry. The Department shall also consider the potential impact of the base assessment amount on business entities of various sizes in an effort to allocate the total assessment in a manner proportionate to the Department's regulatory activities with respect to each regulated entity.

(b) With the exception of credit unions, the base assessment for depository institutions shall not exceed \$5,000.

(c) The base assessment for credit unions shall not exceed the following limits:

1. Credit unions having \$10 million or less in assets: \$500.00;
2. Credit unions having more than \$10 million, but not more than \$40 million in assets: \$1,500; and
3. Credit unions having more than \$40 million in assets: \$5,000.

(d) The base assessment for licensees shall be limited in the following manner:

1. The Department shall assign a weight to the manner and complexity of regulating the businesses of licensees by determining a complexity factor greater than zero and not more than five.
2. In determining the complexity factor, the Department shall consider criteria such as statutorily mandated regulatory activities, number and locations of business sites, varying degrees of complexity in oversight and/or reporting requirements and any other criteria that the Commissioner deems appropriate.
3. The Department shall multiply the complexity factor by an amount not to exceed \$300.00, which amount shall be published annually by the Department in the New Jersey Register as a public notice and in a Departmental Bulletin.

Public Notice: Notice of Base Assessments for Fiscal Year 2008 for Entities or Persons Licensed or Registered by the Division of Banking, Office of Consumer Finance.

See: 40 N.J.R. 7003(a).

Public Notice: Notice of Base Assessments for Fiscal Year 2008 for Entities or Persons Licensed or Registered by the Division of Banking, Office of Consumer Finance.

See: 41 N.J.R. 3112(a).

Public Notice: Notice of Base Assessments for Fiscal Year 2009 for Entities or Persons Licensed or Registered by the Division of Banking, Office of Consumer Finance.

See: 41 N.J.R. 4562(a).

Public Notice: Notice of Base Assessments for Fiscal Year 2010 for Entities or Persons Licensed or Registered by the Division of Banking, Office of Consumer Finance.

See: 42 N.J.R. 2991(b).

3:5-4.4 Volume assessments

(a) The volume assessment for depository institutions shall be calculated as follows:

1. The Department shall deduct the total base assessments for depositories from the total expenses for Depositories for the preceding calendar year.

2. Using filings of each depository institution, the Department shall calculate, to nine decimal places, the percentage of total assets under supervision held by each depository institution in relation to the total assets under supervision for all depository institutions as of December 31 of the prior calendar year.

3. The Department shall multiply the percentage for each depository institution times the expenses remaining after the total of the base assessments of depository institutions has been deducted from the total amount of expenses for Depositories for the preceding fiscal year.

4. The volume assessment for each depository institution shall be added to the base assessment for each depository institution.

(b) The volume assessment for credit unions shall be calculated as follows:

1. There is no volume assessment for credit unions with assets under \$40 million.

2. The Department shall calculate the volume assessment for credit unions with assets of \$40 million dollars or more by comparing the assets of each such individual credit union with the assets of a depository institution of equal size and assessing the credit union the same volume assessment that the credit union would have been assessed if the credit union had been a depository institution.

3. In order to calculate the volume assessments set forth in (b)2 above, the Department will calculate, to nine decimal places, the percentage of the assets of each individual credit union, based on filings made by the credit union, as compared to the total assets for depository institutions which was used to calculate the volume assessment for depository institutions in (a)1 above. This figure will be multiplied by the expenses remaining after deduction of base assessments for depository institutions calculated pursuant to (a)2 above.

4. The total assessment for each credit union with assets under \$40 million shall equal the base assessment for the credit union.

5. The volume assessment for each credit union with assets of \$40 million or more shall be added to that credit union's base assessment, to produce the total assessment.

(c) The volume assessment for licensees shall be calculated as follows:

1. Using filings of each licensee, the Department shall calculate the percentage, to nine decimal places, of the loan volume and/or its equivalent as calculated below for each licensee, in relation to total loan volume and/or its equivalent for all licensees as of December 31 of the prior calendar year.

i. The volume assessment for licensees of Consumer Finance shall be calculated on the basis of the total loan volume and/or its equivalent as calculated by the Department.

ii. The Department shall determine the total loan volume for licensees that make and/or purchase loans based on the total dollar amount of regulated closed loans made, purchased and brokered by all licensees during the preceding calendar year, as reported in the licensees' annual reports.

iii. For the purposes of this section, licensees that make loans include mortgage bankers, correspondent mortgage bankers, secondary lenders, business licensees under the New Jersey Residential Mortgage Lending Act, N.J.S.A. 17:11C-51 et seq., consumer lenders, pawnbrokers, sales finance companies, insurance premium finance companies, home repair contractors, and motor vehicle installment sellers. Licensees that purchase loans include consumer lenders, sales finance companies and home financing agencies.

iv. For purposes of the calculation of the volume assessment for those who make loans, the Department shall consider the dollar volume of such loans. In calculating the volume assessment for licensees that purchase loans, the volume of loans purchased shall be considered as if it were dollars loaned. In calculating the volume assessment for sales finance companies that both make and purchase loans, the Department shall consider the total loan volume of such licensees to be the dollar volume of loans made plus the dollar volume of loans purchased by such licensees.

v. For residential mortgage brokers and for residential mortgage lenders who broker loans, the Department shall determine the dollar volume of closed loans brokered by each licensee for the preceding calendar year as reported in the licensee's annual report. For purposes of calculation of the volume assessment for residential mortgage brokers, the Department shall consider the volume of closed loans brokered for each licensee as if it were the volume of dollars loaned by a licensee. In calculating the volume assessment for residential mortgage lenders who also broker loans, the Department shall consider the total loan volume of such