

CHAPTER 24**CHECK CASHING****Authority**

N.J.S.A. 17:15A-30 et seq., 17:1-8 and 17:1-8.1.

Source and Effective Date

R.1995 d.189, effective April 3, 1995.
See: 26 N.J.R. 4863(b), 27 N.J.R. 1442(c).

Executive Order No. 66(1978) Expiration Date

Chapter 24, Check Cashing, expires on April 3, 2000.

Chapter Historical Note

Chapter 24, Check Cashing, was adopted as R.1984 d.345, effective August 20, 1984. See: 16 N.J.R. 186(b), 16 N.J.R. 2264(b). Pursuant to Executive Order No. 66(1978), Chapter 24 was readopted as R.1989 d.486, effective August 18, 1989. See: 21 N.J.R. 1765(a), 21 N.J.R. 2956(a).

Pursuant to Executive Order No. 66(1978), Chapter 24 expired on August 18, 1994. A new Chapter 24, Check Cashing, was adopted as R.1995 d.189. See: Source and Effective Date.

CHAPTER TABLE OF CONTENTS**SUBCHAPTER 1. GENERAL PROVISIONS**

- 3:24-1.1 Purpose
- 3:24-1.2 Scope
- 3:24-1.3 Definitions
- 3:24-1.4 License fees; reporting fee
- 3:24-1.5 Application fees
- 3:24-1.6 Application process; requirements

SUBCHAPTER 2. FINANCIAL RESPONSIBILITY

- 3:24-2.1 Proof of net worth; records

SUBCHAPTER 3. PLACE OF BUSINESS

- 3:24-3.1 Compliance with State and local law

SUBCHAPTER 4. CHECK CASHING FEES; POSTING

- 3:24-4.1 Returned check fee; prohibition
- 3:24-4.2 Posting of fees; signs

SUBCHAPTER 5. CONDUCT OF BUSINESS

- 3:24-5.1 Check cashing procedure
- 3:24-5.2 Recordkeeping
- 3:24-5.3 Return items record
- 3:24-5.4 Daily cash reconciliation
- 3:24-5.5 Deposits
- 3:24-5.6 Dual business and deposit record requirements
- 3:24-5.7 Prohibitions

SUBCHAPTER 6. ADDITIONAL REPORTS

- 3:24-6.1 Annual report; fee
- 3:24-6.2 Additional reports; fee

SUBCHAPTER 1. GENERAL PROVISIONS**3:24-1.1 Purpose**

The purpose of this chapter is to implement and to augment the requirements of N.J.S.A. 17:15A-30 et seq., "The Check Cashers Regulatory Act of 1993."

3:24-1.2 Scope

These rules are applicable to all licensed check cashers and applicants for licensure.

3:24-1.3 Definitions

Words and terms, when used in this chapter, shall have the meanings as defined at N.J.S.A. 17:15A-31 unless defined below or the context clearly indicates otherwise.

"Act" means N.J.S.A. 17:15A-30 et seq., "The Check Cashers Regulatory Act of 1993."

"Appropriate documentation" means a corporate resolution filed with the Secretary of State, Federal taxpayer identification number, filed New Jersey Certificate of Authority, filed trade-name certificate or other readily verifiable official document.

"Cash" (cashing a check) includes both the exchange of money for the presentment of a check, and the acceptance of a replacement check for one which has been returned for insufficient funds.

"Consideration" means, but is not limited to, a requirement by the check casher that a person make a purchase or otherwise patronize a business operated by the check casher in order to cash a check at the check cashing establishment, or a returned check charge imposed by a bank.

"Disabled person" means, for the purpose of these rules, a person whose disability either temporarily or permanently prevents him from going into a check cashing establishment for the purpose of cashing a check.

"Essential records" includes all records listed in N.J.S.A. 17:15A-441 and m; N.J.A.C. 3:24-5.3(a); and all corporate resolutions.

"Insolvent" means that the check cashing licensee cannot or does not pay his or her debts as they become due in the normal course of business, or his or her financial statement indicates that the licensee has a negative net worth.

"Person" includes corporations, companies, associations, societies, firms, partnerships and joint stock companies as well as individuals, unless the context clearly indicates otherwise.

3:24-1.4 License fees; reporting fee

(a) The Department shall charge the following biennial fees to apply for or renew a license pursuant to this chapter:

1. A licensing fee of \$1,200 for a principal office;
2. A licensing fee of \$1,200 for a full branch office; and
3. A licensing fee of \$1,200 for a mobile office.

3:24-1.5 Application fees

(a) The following application fees shall be charged:

1. Application for a principal office, \$250.00;
2. Application for a full branch office, \$250.00;
3. Application for a limited branch office, \$250.00;
4. Application for a mobile office, \$250.00, plus \$100.00 for each additional geographic location at which the mobile office will stop;
5. Application for change of control pursuant to N.J.S.A. 17:15A-42, \$100.00; and
6. Application for approval to change the address of an existing office, \$75.00.

3:24-1.6 Application process; requirements

(a) No applicant for a license shall commence operations until a license has been issued.

(b) In addition to the information required to be furnished to the Department by N.J.S.A. 17:15A-33 through 39, the applicant shall supply the following as part of its application for each director, substantial stockholder, officer, owner, partner, manager and employee of the business to be licensed:

1. A Certificate of Certified Consent for criminal investigative purposes;
2. Photographs of the persons listed in (b) above;
3. A fingerprint card supplied with application (Form FD-258);
4. Application fee(s) as required by N.J.A.C. 3:24-1.3;
5. Any other information or supporting documentation relating to the operation of the proposed check cashing business which the Commissioner may require; and
6. A check in the amount of \$50.00 for each person for the costs of background investigations, including fingerprinting;

(c) Corporate applicants for a check cashing license shall submit a copy of the Certificate of Incorporation showing the filed or recording stamp of the New Jersey Secretary of State, and shall identify the registered agent for service of process. Foreign corporations shall submit a New Jersey Certificate of Authority in addition to corporate certificate.

(d) Individual or partnership applicants using a trade name shall submit a copy of the trade name as filed with the county clerk showing date of recording.

(e) Corporations using fictitious names shall file a copy of registration of such name, as recorded, as part of their applications, in addition to the documents listed in (c) above.

(f) A new employee, hired after a license has issued, may begin work pending receipt by the Department of fingerprint results provided all other information is complete and satisfactory.

SUBCHAPTER 2. FINANCIAL RESPONSIBILITY**3:24-2.1 Proof of net worth; records**

(a) An applicant shall submit to the Department an unqualified, audited financial statement prepared by a Certified Public Accountant or a public accountant, sufficient to satisfy the capital and net worth requirements of N.J.S.A. 17:15A-37.

(b) For each subsequent application, the applicant may use the initial unqualified, audited financial statement, provided that it is less than 12 months old and that it indicates that the applicant meets the higher net worth and liquid assets necessary for the additional offices sought to be approved.

(c) In the event the accountant does not maintain an office in New Jersey, the licensee's records shall be examined at the licensee's main office.

SUBCHAPTER 3. PLACE OF BUSINESS**3:24-3.1 Compliance with State and local law**

(a) The applicant shall supply necessary permits, variances or other documentation sufficient to demonstrate that the facility is in compliance with all applicable State, county and municipal laws, ordinances and traffic regulations.