

**3:1-6.2 Assessments**

(a) Every bank as defined in N.J.S.A. 17:9A-1(1), every savings bank as defined in N.J.S.A. 17:9A-1(13) and every State association as defined in N.J.S.A. 17:12B-5(1) shall be assessed a yearly fee of 0.44 of one cent per \$100.00 of total assets, except that trust assets shall be assessed a yearly fee in accordance with the following schedule:

Trust Assets of each type	Discretionary (cents per \$100 of assets)	Non-Discretionary (cents per \$100 of assets)
0-\$4,999,999,999	.03	.02
\$5 billion-\$20 billion	.02	.01
more than \$20 billion	.01	0

(b) The fee shall be assessed at one-half the yearly rate as of December 31 and one-half the yearly rate as of June 30 of each calendar year.

Emergency amendment, R.1989 d.407, effective July 3, 1989 (expires September 1, 1989).

See: 21 N.J.R. 2398(a).

Fee per \$100 of total assets raised from 0.30 to 0.36; fee per \$100 of total assets raised from 0.15 to 0.18.

Adopted concurrent proposal R.1989 d.510, effective August 31, 1989.

See: 21 N.J.R. 2398(a), 21 N.J.R. 3082(a).

Provisions of emergency amendment R.1989 d.407 readopted without change.

Amended by R.1991 d.195, effective April 15, 1991.

See: 23 N.J.R. 254(a), 23 N.J.R. 1125(a).

N.J.A.C. 3:1-6.1 and 6.2 are combined as new 6.2(a) and (b); fees and assessments increased.

Amended by R.1991 d.350, July 1, 1991.

See: 23 N.J.R. 1073(b), 23 N.J.R. 2028(a).

Established fee schedule at (a); one-half yearly rate as of December 31 and as of June 30.

**3:1-6.3 Payment dates**

The fee so assessed shall be made payable to the Treasurer of the State of New Jersey and paid on or before March 31 and September 30 of each calendar year. The payment on or before March 31 shall apply to the fees assessed for the first half of the calendar year. The payment on or before September 30 shall apply to the fees assessed for the second half of the calendar year.

**3:1-6.4 Effective date**

The fees assessed pursuant to this regulation will first apply to the first half of calendar 1978.

**3:1-6.5 Annual review**

The fees assessed by this regulation shall be reviewed at least annually and if necessary shall be increased or decreased in accordance with the services performed by the Department of Banking.

**3:1-6.6 Examination charge**

(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) 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 shall be \$42.00, plus \$15.00 per day for travel expenses for in-State travel. The fee for out-of-State travel shall approximate the cost of this travel.

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

New Rule, R.1991 d.195, effective April 5, 1991.

See: 23 N.J.R. 245(a), 23 N.J.R. 1125(a).

Amended by R.1991 d.350, effective July 1, 1991.

See: 23 N.J.R. 1073(b), 23 N.J.R. 2028(a).

Increased examination fees on trust companies and trust departments from \$300.00 to \$325.00.

Amended by R.1992 d.250, effective June 15, 1992.

See: 24 N.J.R. 1420(a), 24 N.J.R. 2242(a).

Amended by R.1996 d.384, effective August 5, 1996.

See: 28 N.J.R. 2106(a), 28 N.J.R. 3780(a).

Changed from per diem to per hour charges.

Amended by R.1996 d.483, effective October 7, 1996.

See: 28 N.J.R. 2661(a), 28 N.J.R. 4417(b).

**Cross References**

Examination charges for bank holding companies, see N.J.A.C. 3:13-3.1.

**3:1-6.7 Failure to pay license and examination charges**

(a) If a licensee 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 by letter. The licensee shall have 20 days from the date of such letter to provide the Department with a certified or cashiers check payable to the State of New Jersey for the amount of the dishonored check plus \$10.00. If the Department does not receive a certified or cashiers check within 20 days of the date of this letter, the Department shall suspend the license of the licensee until payment by certified or cashiers check is received.

(b) If a licensee fails to pay an examination charge within 30 days after the bill is sent, the Department shall send a second billing. The licensee shall have 20 days from the date of such letter to provide the Department with payment of the fee. If the licensee fails to provide such payment within 20 days, the Department shall suspend the license of the licensee until payment is received.

New Rule, R.1995 d.208, effective April 17, 1995.

See: 27 N.J.R. 20(b), 27 N.J.R. 1576(a).

**SUBCHAPTER 7. MISCELLANEOUS FEES**

**3:1-7.1 Name change**

(a) Every licensee who shall change its name at any time shall, within 30 days of such change, submit proof of the

name change to the Commissioner, shall surrender its license or licenses for endorsement of such change and pay to the Department of Banking the fee or fees provided in schedule A of this subchapter.

1. Schedule A:

- i. Motor vehicle installment seller—\$75.00;
- ii. Sales finance company—\$75.00;
- iii. Home repair contractor—\$75.00;
- iv. Home financing agency—\$75.00;
- v. Consumer loan licensee—\$75.00;
- vi. Pawnbroker—\$75.00;
- vii. Foreign money remitter—\$75.00;
- viii. Licensed casher of checks—\$75.00;
- ix. Foreign banks—\$75.00;
- x. Secondary mortgage loan license—\$75.00;
- xi. Insurance premium finance company—\$75.00;
- xii. Licensed seller of checks—\$75.00;
- xiii. Mortgage banker or broker—\$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.

Emergency amendment, R.1989 d.407, effective July 3, 1989 (expires September 1, 1989).

See: 21 N.J.R. 2398(a).

Fees raised at (a)1; mortgage banker fees added at (a)1xiii.

Branch office fees added at (b).

Adopted concurrent proposal R.1989 d.510, effective August 31, 1989.

See: 21 N.J.R. 2398(a), 21 N.J.R. 3082(a).

Provisions of emergency amendment R.1989 d.407 readopted without change.

**3:1-7.2 Duplicate licenses and certificates**

(a) A licensee may request a duplicate license or certificate when the original license or certificate issued has been lost or destroyed.

(b) The request for the issuance of such duplicate license or certificate will be made on forms supplied by the Department of Banking.

(c) The licensee shall pay to the Department of Banking 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. Sales finance company—\$25.00;
- iii. Home repair contractor—\$25.00;
- iv. Home financing agency—\$25.00;

- v. Consumer loan licensee—\$25.00;
- vi. Pawnbroker—\$25.00;
- vii. Foreign money remitter—\$25.00;
- viii. Licensed casher of checks—\$25.00;
- ix. Foreign banks—\$25.00;
- x. Secondary mortgage loan licensees—\$25.00;
- xi. Home repair salesmen—\$25.00;
- xii. Insurance premium finance company—\$25.00;
- xiii. Licensed seller of checks—\$25.00;
- xiv. Mortgage banker or mortgage broker—\$25.00.

Emergency amendment, R.1989 d.407, effective July 3, 1989 (expires September 1, 1989).

See: 21 N.J.R. 2398(a).

Fees increased; mortgage banker or broker added.

Adopted concurrent proposal R.1989 d.510, effective August 31, 1989.

See: 21 N.J.R. 2398(a), 21 N.J.R. 3082(a).

Provisions of emergency amendment R.1989 d.407 readopted without change.

**3:1-7.3 Requests for licensee standing and locations**

(a) The Department of Banking may furnish, upon written request, information concerning a licensee's standing and location. The information provided shall be in a form prescribed by the Department of Banking.

(b) A requester shall pay to the Department of Banking the fee or fees provided in schedule C of this subchapter.

1. Schedule C:

- i. Motor vehicle installment seller—\$15.00;
- ii. Sales finance company—15.00;
- iii. Home repair contractor—15.00;
- iv. Home financing agency—15.00;
- v. Small loan licensee—15.00;
- vi. Pawnbroker—15.00;
- vii. Foreign money remitter—15.00;
- viii. Licensed casher of checks—15.00;
- ix. Foreign banks—15.00;
- x. Secondary mortgage loan licensee—15.00;
- xi. Home repair salesmen—15.00;
- xii. Insurance premium finance company—15.00;
- xiii. Licensed seller of checks—15.00;
- xiv. Individual group listings—0.20 per item.

**3:1-7.4 Address change**

Every licensee referenced in Schedule A or B which changes a licensed business address at any time shall, within 20 days of the change, submit information relative to the address change to the Commissioner, surrender the affected license or licenses for endorsement of the change; and pay to the Department an address change of \$75.00. Motor

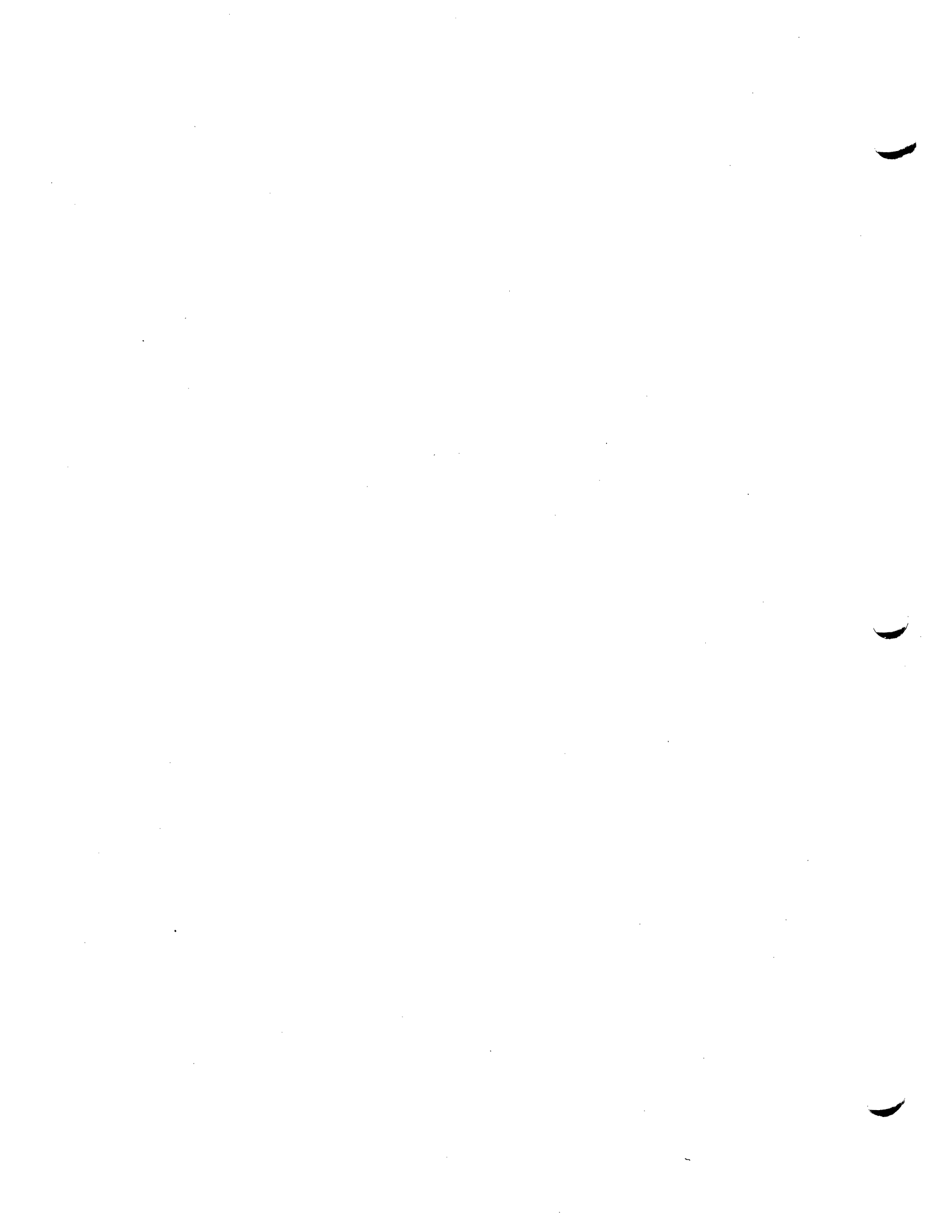
vehicle installment sellers, sales finance companies, home repair salesmen, home repair contractors and home financing agencies are exempt from the \$75.00 fee.

Emergency amendment (new rule), R.1989 d.407, effective July 3, 1989 (expires September 1,1989).

See: 21 N.J.R. 2398(a).

Adopted concurrent proposal R.1989 d.510, effective August 31, 1989.

See: 21 N.J.R. 2398(a), 21 N.J.R. 3082(a).



Provisions of emergency amendment R.1989 d.407 readopted without change.

Amended by R.1991 d.195, effective April 15, 1991.  
See: 23 N.J.R. 254(a), 23 N.J.R. 1125(a).

Motor vehicle installment sellers, sales finance companies, home repair salesmen, home repair contractors and home financing agencies exempted from the \$75.00 fee.

**3:1-7.5 Fees subject to review**

The fees in the schedules of this subchapter shall be subject to periodic review and shall be increased or decreased in accordance with the services performed by the Department of Banking.

Recodified from N.J.A.C. 3:1-7.4 by R.1989 d.407, effective July 3, 1989 (expires September 1, 1989).

See: 21 N.J.R. 2398(a).

Adopted concurrent proposal R.1989 d.510, effective August 31, 1989.

See: 21 N.J.R. 2398(a), 21 N.J.R. 3082(a).

Provisions of emergency amendment R.1989 d.407 readopted without change.

**3:1-7.6 Penalty for late filing**

Motor vehicle installment sellers, sales finance companies, home repair salesmen, home repair contractors and home financing agencies which file renewal license applications after the expirations of their licenses shall be subject to a \$25.00 penalty. The imposition of this penalty shall not prevent the Department from imposing further penalties on the licensee for transacting business without a license.

New Rule, R.1991 d.195, effective April 5, 1991.

See: 23 N.J.R. 245(a), 23 N.J.R. 1125(a).

**SUBCHAPTER 8. CREDIT OR LOAN APPLICATIONS**

**3:1-8.1 (Reserved)**

R.1975 d.146, eff. May 29, 1975.

See: 7 N.J.R. 126(b), 7 N.J.R. 291(b).

Expired pursuant to Executive Order No. 66(1978) on April 4, 1996.

See: 28 N.J.R. 1830(a).

Section was "Required information".

**3:1-8.2 Appraisal requirements**

(a) The following words and terms, when used in this section, shall have the following meanings unless the context clearly indicates otherwise:

"Depository" means a New Jersey chartered bank, mutual savings bank, capital stock savings bank, mutual association or capital stock association.

"Mortgage loan" means a loan made or purchased by a depository lender secured by a mortgage constituting a lien upon real property or upon a lease of the fee of real property.

(b) Notwithstanding the provisions of N.J.S.A. 17:9A-67 and 17:9A-181, a depository may originate or acquire a mortgage loan, other than one described in (c) below, upon written certification signed by one appraiser as to the value of the property; provided the appraiser and appraisal meet any and all requirements imposed by the Federal Deposit Insurance Corporation or by any other applicable Federal law or agency.

(c) Where the amount of the mortgage is over \$75,000 and is or will be secured by property which includes more than six family dwelling units, the appraisal must be made by at least two persons who are qualified officers, directors or employees of the depository, or by an independent qualified appraiser; provided that the appraiser and appraisal meet any and all requirements imposed by the Federal Deposit Insurance Corporation or by any other applicable Federal law or agency.

New Rule, R.1996 d.2, effective January 2, 1996.

See: 27 N.J.R. 3869(a), 28 N.J.R. 143(a).

**SUBCHAPTER 9. HOME MORTGAGE DISCLOSURE**

**3:1-9.1 Authority; scope; enforcement**

(a) This regulation is promulgated pursuant to the provisions of Chapter 1, Public Laws of 1977, and N.J.S.A. 17:1-8.1 et seq. This regulation applies to depository institutions which make mortgage loans. Nothing in this regulation is intended to, nor shall it be construed to, encourage unsound lending practices or the allocation of credit.

(b) Compliance with this regulation and Chapter 1, Public Laws of 1977, shall be enforced by the Commissioner of Banking of the State of New Jersey.

**Case Notes**

Standby letters of credit rules cited; N.J.S.A. 17:9A-25(3) held not to limit letters of credit to a one year duration, but only to limit the duration of drafts drawn on such letters. National Surety Corp. v. Midland Bank, 551 F.2d 21 (3rd Cir.1977).

Former N.J.A.C. 3:1-9.1 through 9.9 held valid; N.J.A.C. 3:1-9.10 through 9.22 held invalid as they pertain to national banks. National State Bank, Elizabeth, N.J. v. Long, 469 F.Supp. 1068 (D.N.J.1979) supplemental opinion, modified 630 F.2d 981 (3rd Cir.1980).

**3:1-9.2 Definitions**

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise.

"Act" means N.J.S.A. 17:16F-1 et seq.

“Annual percentage rate” means the annual percentage rate of finance charge as calculated in accordance with Federal Reserve Board Regulation Z and its supplements.

“Applicant” means any person who files with a depository institution a written, or oral-in-person, request containing such information as is reasonably required by the depository institution for a mortgage loan as defined in this Act.

“Application” means a signed, completed application form submitted to a depository institution containing such information as required by that depository institution for reviewing a residential mortgage loan request or a home improvement loan request.

“Branch office” means any office approved as a branch of the depository institution by that depository institution’s Federal or State supervisory agency. Branch office shall not include an office of a depository institution which is fully automated and solely operated by the customer.

“Census tract” means a geographic area as defined and approved by the United States Bureau of Census for statistical purposes. The census tract definitions to be used are those which have been approved for use in the 1980 Census of Population and Housing.

“Depository institution” means any banking institution as defined in section 1 of the Banking Act of 1948, P.L. 1948 C.67 (C.17:9A-1), any association as defined in the Savings and Loan Act (1963) P.L. 1963, C.144 (C.17:12B-1 et seq.), or any State or Federal credit union, which makes mortgage loans. Any non-depository, majority-owned subsidiary of a depository institution shall be deemed to be part of its parent depository institution for the purposes of this regulation. No depository institution may aggregate its reports with any other depository institution, subsidiary, affiliate, or otherwise.

“Federally guaranteed mortgage loans” means FHA, FmHA, or VA loans which are insured under Title II of the National Housing Act or under Title V of the Housing Act of 1949 or which are guaranteed under Chapter 37 of Title 38, United States Code.

“Home improvement loan” means a loan unsecured or secured by collateral other than a first lien on a residential real property:

1. The proceeds of which, all or in part, are to be used for the purposes of repairing, rehabilitating, or remodeling an existing residential dwelling located in a State as stated by the borrower to the lender at the time of the loan transaction; or
2. That is recorded on the books of the depository institution as a home improvement loan; or
3. Which is a secondary mortgage loan or a consumer loan, repayable in equal periodic installments, the proceeds of which, all or in part, are to be used for the purpose of repairing, rehabilitation, or remodeling an existing residential dwelling.

“Metropolitan Statistical Area” (MSA) and “Primary Metropolitan Statistical Area” (PMSA) mean geographical areas as defined by the Office of Management and Budget of the United States government for statistical purposes. The MSA/PMSA definitions to be used are for the following MSA’s/PMSA’s:

1. Allentown-Bethlehem, PA-NJ;
2. Bergen-Passaic, NJ;
3. Atlantic City, NJ;