

44:8-153

LEGISLATIVE HISTORY CHECKLIST

NJSA: 44:8-153

(Food stamps--
distribution by
banks)

LAWS OF: 1988

CHAPTER: 79

Bill No: S713

Sponsor(s): Codey

Date Introduced: Pre-filed

Committee: Assembly: Financial Institutions

Senate: Institutions, Health & Welfare

Amended during passage: Yes Amendments during passage
denoted by asterisks.

Date of Passage: Assembly: June 20, 1988

Senate: February 2, 1988

Date of Approval: August 2, 1988

Following statements are attached if available:

Sponsor statement: Yes

Committee Statement: Assembly: Yes

Senate: Yes

Fiscal Note: No

Veto Message: No

Message on signing: No

Following were printed:

Reports: No

Hearings: No

[SECOND REPRINT]

SENATE, No. 713

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1988 SESSION

By Senator CODEY

1 AN ACT ¹[to provide for] concerning¹ the issuance of food
2 stamps by certain financial institutions and other coupon
3 issuers ¹[and establishing fees]¹, and supplementing Title 44
4 of the Revised Statutes.

5

6 BE IT ENACTED *by the Senate and General Assembly of the*
7 *State of New Jersey:*

8 1. As used in this act:

9 a. "Participating coupon issuer" means a financial institution,
10 municipality or other governmental or nongovernmental entity
11 which contracts with a county welfare agency with the approval
12 of the Commissioner of the Department of Human Services to
13 issue food stamps to the public under the food stamp program.

14 b. "Food stamp program" means the food stamp allocation
15 program established pursuant to the Food Stamp Act of 1977,
16 Pub. L. 95-113 (7 U.S.C. § 2011 et seq.).

17 c. "Financial institution" means a banking institution, as
18 defined in P.L.1948, c. 67 (C. 17:9A-1 et seq.), and an insured
19 State or federally chartered savings and loan association.

20 d. "Transaction" means receipt by the participating coupon
21 issuer of the authorization to participate form and the issuance
22 of food stamps to the public.

23 2. It is declared to be in the public interest that financial
24 institutions, municipalities, and other governmental and
25 nongovernmental entities be encouraged to participate in the
26 issuance of food stamps as a service to the citizens of this
27 State. It is the purpose and object of this act to assure that
28 food stamps will be issued at a sufficient number of locations
29 throughout the State to provide accessibility and convenience
for the public.

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in the
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SIH committee amendments adopted January 21, 1988.

² Assembly AFI committee amendments adopted March 7, 1988.

1 3. The Commissioner of the Department of Human Services
2 shall institute an outreach program to enlist the voluntary
3 participation of financial institutions, municipalities and other
4 governmental and nongovernmental entities as food stamp
5 issuers at a sufficient number of locations throughout the State
6 to provide accessibility and convenience for the public. ¹[If the
7 Commissioner of the Department of Human Services is unable to
8 enlist the voluntary participation of a sufficient number of
9 participating coupon issuers in any geographical area of the
10 State of New Jersey, he shall inform the Governor, the
11 Legislature and the Commissioner of Banking of the location,
12 nature and extent of the insufficiency, including the hours and
13 days of need; and determine whether any governmental entity in
14 the area meets the security, reputability, and insurance or
15 bonding requirements established by the Department of Human
16 Services. If so, he shall designate an appropriate number of the
17 qualifying entities to serve as participating coupon issuers and
18 shall determine the number of hours and days that these
19 governmental entities shall be open to issue food stamps to the
20 public. If the Commissioner of Human Services determines that
21 there is an insufficient number of qualifying governmental
22 entities to meet the insufficiency, he shall so inform the
23 Commissioner of Banking. In that case, the Commissioner of
24 Banking shall designate an appropriate number of financial
25 institutions or other entities regulated by the Department of
26 Banking within the area as participating coupon issuers and shall
27 determine the number of hours and days that the financial
28 institutions or entities shall be open to issue food stamps to the
29 public. The Commissioner of Banking shall determine the
30 suitability of a financial institution for this designation based
31 upon a consideration of its assets, location of home office or
32 branches, number of personnel employed by the financial
33 institution, adequacy of the facilities, including vault space, or
34 such other factors as he may deem appropriate.]¹

35 ¹[4. Any financial institution or other entity, subject to the
36 jurisdiction of the Commissioner of Banking and any government
37 entity designated as a participating coupon issuer shall be
38 required to become a participating coupon issuer.]¹

1 county, municipal, or belonging to any other instrumentality or
agency thereof.

3 6. No participating financial institution shall deny any person
having a duly signed authorization to participate form, the right
5 to receive food stamps by reason of his failure to have an
account in that financial institution.

7 7. Each participating coupon issuer shall receive a fee for
each transaction from the county welfare agency of the county
9 in which said coupon issuer is located.

The amount of the fee shall be negotiated by the coupon
11 issuer and the county welfare agency, in accordance with rules
and regulations to be issued by the Department of Human
13 Services and adopted pursuant to the "Administrative Procedure
Act," P.L. 1968, c. 410 (C. 52:14B-1 et seq.). In the case of a
15 designated financial institution or other governmental or
nongovernmental entity, the Commissioner of Human Services
17 shall set a reasonable fee.

8. Notwithstanding any provisions of law to the contrary, the
19 provisions of this act are not subject to the requirements of the
"Local Public Contracts Law," P.L. 1971, c. 198 (C. 40A:11-1 et
21 seq.).

9. This act shall take effect immediately.

23

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STATEMENT

27 This bill establishes a system whereby food stamps may be
distributed by financial institutions designated by the
29 Commissioner of Human Services when there are an insuffiient
number of food stamps distributors in a particular area.

31

33

HUMANS SERVICES

Food and Nutrition

35

Establishes a system for the distribution of food stamps through
37 financial institutions in the State.

ASSEMBLY FINANCIAL INSTITUTIONS COMMITTEE

STATEMENT TO

[FIRST REPRINT]

SENATE, No. 713

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: MARCH 7, 1988

This bill, as amended by the Assembly Financial Institutions Committee, would require the Commissioner of the Department of Human Services to establish a program to enlist the voluntary participation of financial institutions, municipalities and other governmental and nongovernmental entities as issuers of food stamps. The purpose of this program is to have enough issuers of food stamps to provide ready access and convenience to the public in obtaining food stamps.

Under the bill, a financial institution or other entity voluntarily agreeing to participate as an issuer of food stamps will contract with a county welfare agency with the approval of the Commissioner of the Department of Human Services to be a participating coupon issuer and will receive a fee for each issuance of food stamps.

The committee amendment to the bill deleted section 4 which stated that a participating financial institution could not deny any person having an appropriate authorization to participate from the right to receive food stamps because the person did not have an account with that financial institution. This section was deleted because this is already a provision of the contract which a county welfare agency establishes with a financial institution which agrees to be an issuer of food stamps.

SENATE INSTITUTIONS, HEALTH AND WELFARE COMMITTEE

STATEMENT TO

SENATE, No. 713

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 21, 1988

The Senate Institutions, Health and Welfare Committee favorably reports Senate Bill 713 with committee amendments.

As amended by committee, this bill directs the Commissioner of Human Services to institute a food stamp issuer outreach program to enlist the voluntary participation of financial institutions, municipalities and other governmental and nongovernmental entities to serve as food stamp issuers. The purpose of the program is to ensure that food stamps are issued at a sufficient number of locations throughout the State to provide accessibility and convenience for the public.

The bill further provides that a participating financial institution shall not deny any person who has a duly signed authorization to participate form, the right to receive food stamps from that financial institution even if the person does not have an account at the institution. Also, the bill provides that each participating coupon issuer shall receive a fee for each transaction from the county welfare agency in the county in which the issuer is located. The amount of the fee will be negotiated by the coupon issuer and the county welfare agency in accordance with Department of Human Services regulations.

The committee amended the bill upon the recommendation of the Department of Human Services. The amendments delete the provisions of the bill which authorized the Commissioner of Banking, upon the recommendation of the Commissioner of Human Services, to designate a financial institution or other entity to serve as a participating food stamp issuer in a geographical area if there is an insufficient number of voluntary issuers in that area.

This bill was pre-filed for introduction in the 1988-89 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.