

17:9A-316.3

LEGISLATIVE HISTORY CHECKLIST

HJSA 17:9A-316.3 (Banking--foreign banks as fiduciary--
invest in their common trust funds)

LAWS OF 1979 CHAPTER 389

Bill No. S1277

Sponsor(s) Hamilton and others

Date Introduced July 27, 1978

Committee: Assembly Banking and Insurance

Senate Labor, Industry and Professions

Amended during passage ~~Yes~~ No

Date of Passage: Assembly Dec. 6, 1979

Senate April 26, 1979

Date of approval Feb. 6, 1980

Following statements are attached if available:

Sponsor statement Yes ~~Yes~~

Committee Statement: Assembly Yes ~~Yes~~

Senate Yes ~~Yes~~

Fiscal Note ~~Yes~~ No

Veto message ~~Yes~~ No

Message on signing ~~Yes~~ No

Following were printed:

Reports ~~Yes~~ No

Hearings ~~Yes~~ No

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SENATE, No. 1277

STATE OF NEW JERSEY

INTRODUCED JULY 27, 1978

By Senators HAMILTON, WEISS, BEDELL, GREGORIO, FRIEDLAND, SHEIL, RODGERS, MUSTO, KENNEDY, GAGLIANO, DORSEY, WALLWORK, VREELAND, PERSKIE, ERRI-CHETTI, A. RUSSO and ZANE

Referred to Committee on Labor, Industry and Professions

A SUPPLEMENT to "The Banking Act of 1948," approved April 29, 1948 (P. L. 1948, c. 67, C. 17:9A-1 et seq.).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. A foreign bank authorized by section 316 of P. L. 1948, c. 67
2 (C. 17:9A-316) to act as executor, testamentary trustee or guardian
3 may, when acting in such capacity, invest any money received and
4 held by it in such capacity, in any common trust fund or funds
5 maintained by it in accordance with the laws of the State of its
6 incorporation; provided, that the will under which it is acting as
7 executor, testamentary trustee or guardian does not specifically
8 prohibit such investment and any such investment is made subject
9 to the provisions of subsection B of section 37 of P. L. 1948, c. 67
10 (C. 17:9A-37), and the provisions of section 38 of P. L. 1948, c. 67
11 (C. 17:9A-38) relating to investments by a qualified bank incor-
12 porated under the laws of this State in a common trust fund; and
13 provided that a qualified bank incorporated under the laws of this
14 State is permitted by the laws of the state of incorporation of such
15 foreign bank, when acting in a similar fiduciary capacity in that
16 state to invest any moneys, received and held by it in such capacity,
17 in any common trust fund or funds maintained by it in accordance
18 with the laws of this State.

1 2. This act shall take effect immediately.

STATEMENT

This bill will permit foreign banks which are authorized to serve as an executor, testamentary trustee or guardian in this State to

invest funds held in their fiduciary capacity in their common trust funds subject to the limitations prescribed in the bill.

New York and Connecticut have statutes which permit foreign banks acting in a fiduciary capacity to invest funds in their common trust funds.

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ASSEMBLY BANKING AND INSURANCE COMMITTEE

STATEMENT TO

SENATE, No. 1277

STATE OF NEW JERSEY

DATED: NOVEMBER 26, 1979

This bill would permit foreign banks authorized to act in a fiduciary capacity to invest money, received and held in trust, in any common trust fund maintained by the bank in accordance with the laws of the State of its incorporation, subject only to the provisions of subsection B of section 37 and the provisions of section 38 of the Banking Act of 1948. These funds may not be held in common trust funds if such investment is prohibited by the trust instrument.

The activity of foreign banks is restricted by 17:9A-315 et seq. A foreign bank may transact business in this State only as an executor, testamentary trustee or guardian, and then only when named in a decedent's will or codicil thereto. Before transacting business in this State, a foreign bank must secure from the Commissioner of Banking a certificate of authority to transact such business.

Senate Bill No. 1277 would specifically give foreign banks acting as executor, testamentary trustee or guardian, authority to invest funds held in trust in their common trust funds.

SENATE LABOR, INDUSTRY AND
PROFESSIONS COMMITTEE

STATEMENT TO

SENATE, No. 1277

STATE OF NEW JERSEY

DATED: APRIL 5, 1979

This bill would permit foreign banks authorized to act in a fiduciary capacity to invest money, received and held in trust, in any common trust fund maintained by the bank in accordance with the laws of the State of its incorporation, subject only to the provisions of subsection B of section 37 and the provisions of section 38 of the Banking Act of 1948, copies of which are attached.

These funds may not be held in common trust funds if such investment is prohibited by the trust instrument.

FROM THE OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

FEBRUARY 7, 1980

PAT SWEENEY

Governor Brendan Byrne has signed the following bills into law:

A-23, sponsored by Assemblyman Albert Burstein (D-Bergen), which makes uniform the laws relating to the authority of school boards and county and municipal governing bodies to enter into group insurance or insurance plans for the employees.

A-3591, sponsored by Assemblyman William Dowd (R-Monmouth), which permits a landlord to obtain a court judgement to promptly evict seasonal tenants from his premises if he finds that the tenants have been disruptive or destructive.

Under the bill, the court must issue a warrant for the tenant's removal within two days after it has found the landlord has sufficient cause for eviction.

Grounds for the tenants removal in the bill include situations where a person "has continued to be, after written notice to cease, so disorderly as to destroy the peace and quiet of the occupants or other tenants living in said house or neighborhood," or situations in which a person "has willfully or by reasons of gross negligence caused or allowed destruction, damage or injury to the premises."

The bill applies to tenants renting property for seasonal use only, which is defined as a term of not more than 125 consecutive days for residential use by a person having a permanent place of residence elsewhere. It will not affect the rights of other tenants.

S-1277, sponsored by Senator William J. Hamilton, Jr. (D-Middlesex), which permits a foreign bank which is authorized to serve as an executor, testamentary trustee or a guardian in New Jersey to invest funds held in its fiduciary capacity in any common trust or funds it maintains, provided that the investment is in accordance with New Jersey statutes, that it is not prohibited by the will or other testamentary document and that the incorporation of the bank has a reciprocal statute.

-NONE-