

17:15A-3 et al

LEGISLATIVE HISTORY CHECKLIST

HJSA 17:15A-3 et al. (Check cashing law--amendment)

LAYS OF 1979 CHAPTER 498

Bill No. A721

Sponsor(s) Jackman

Date Introduced Feb. 14, 1978

Committee: Assembly Banking and Insurance

Senate Labor, Industry and Professions

Amended during passage Yes ** Amendments during passage denoted by asterisks

Date of Passage: Assembly Dec. 3, 1979

Senate Jan. 5, 1980

Date of approval Feb. 29, 1980

Following statements are attached if available:

Sponsor statement Yes ~~No~~

Committee Statement: Assembly Yes ~~No~~

Senate ~~Yes~~ No

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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ASSEMBLY, No. 721**STATE OF NEW JERSEY**

INTRODUCED FEBRUARY 14, 1978

By Assemblyman JACKMAN

Referred to Committee on Banking and Insurance

AN ACT to amend "The Check Cashing Law," approved June 7, 1951 (P. L. 1951, c. 187; C. 17:15A-1 et seq.), and repealing section 6 of said act.

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

1 1. Section 3 of P. L. 1951, c. 187 (C. 17:15A-3) is amended to
2 read as follows:

3 3. Application for such license shall be in writing, under oath,
4 and in the form prescribed by the commissioner, and shall contain
5 the name and the address both of the residence and place of business
6 of the applicant, and if the applicant is a copartnership or associa-
7 tion, of every member thereof, and if a corporation, of each officer
8 and director thereof; also if the business is to be conducted at a
9 specific address, the address at which the business is to be con-
10 ducted, and if the business is to be conducted from a mobile unit,
11 the New Jersey State registration number or other identification of
12 such mobile unit and the area in which the applicant proposes to
13 operate such mobile unit; and also such further information as
14 the commissioner may require. **Every person directly connected**
15 **with the licensee in the check cashing business shall submit to being**
16 **fingerprinted on forms supplied by the commissioner, which said**
17 **fingerprints shall be submitted with the application and filed with**
18 **the New Jersey State Police.**

1 2. Section 4 of P. L. 1951, c. 187 (C. 17:15A-4) is amended to
2 read as follows:

3 4. Such applicant at the time of making such application shall
4 pay to the commissioner the sum of **[\$100.00 as a fee for investi-**
5 **gating the application and the additional sum of]** *\$100.00 as a fee
6 *for investigating the application and additional sum of* *\$200.00 as

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

6A a license fee for a period terminating on the last day of the then
 7 current calendar year [except that in the event the business is to
 8 be conducted from a mobile unit, the fee for investigating the
 9 application shall be \$100.00 and the license fee shall be \$200.00;
 10 provided, however, if the application is filed after June 30 in any
 11 year such payment shall be one-half of the stated license fee in
 12 addition to said fee for investigation. Any licensee requesting a
 13 change of address, shall at the time of making such request, pay
 14 to the commissioner the sum of \$50.00 as a fee for investigating
 15 the new address; provided, however, that the commissioner may,
 16 in his discretion, waive such investigation fee if warranted]. **Any*
 17 *licensee requesting a change of address, shall at the time of making*
 18 *such request, pay to the commissioner the sum of \$50.00 as a fee*
 19 *for investigating the new address; provided, however, that the*
 20 *Commissioner may, in his discretion, waive such investigation fee*
 21 *if warranted.**

1 3. Section 7 of P. L. 1951, c. 187 *[(C. 17:15A-1)]* *(C.
 2 17:15A-7)* is amended to read as follows:

3 7. If the commissioner shall find that the financial responsibility,
 4 experience, character and general fitness of the applicant, and of
 5 the members thereof if the applicant be a copartnership or associa-
 6 tion, and of the officers and directors thereof if the applicant be a
 7 corporation, are such as to command the confidence of the com-
 8 munity and to warrant the belief that such business will be operated
 9 honestly, fairly and efficiently within the purposes of this act;
 10 [and if the commissioner shall find that the approving of such
 11 application will promote the convenience and advantage of the area
 12 in which such business is to be conducted;] and if the commissioner
 13 shall find that the applicant has a capital or net worth of at least
 14 \$5,000.00, and has available for the operation of such business liquid
 15 assets of \$5,000.00, for each specified location or for each mobile
 16 unit; he shall thereupon issue a license in duplicate to permit the
 17 cashing of checks, drafts or money orders in accordance with the
 18 provisions of this act at the location or in the area specified in the
 19 application. The commissioner shall transmit one copy of such
 20 license to the applicant and file the other in the office of the
 21 department.

1 4. Section 8 of P. L. 1951, c. 187 (C. 17:15A-8) is amended to
 2 read as follows:

3 8. [Such license shall state the name of the licensee; and if the
 4 licensee is a copartnership or association, the names of the members
 5 thereof; and if the licensee is a corporation, the date of its incor-
 6 poration; and if the business is to be conducted at a specific

7 address, the address at which such business is to be conducted; and
 8 if the business is to be conducted through the use of a mobile unit,
 9 the New Jersey State registration number or other identification
 10 of such mobile unit and the area in which such mobile unit is
 11 authorized to do business.】 *Each license issued by the commis-*
 12 *sioner shall specify:*

13 *a. The name and address of the licensee, the address so specified*
 14 *to be that of the licensee's principal place of business in this State.*

15 *b. The licensee's reference number, which may remain the same*
 16 *from year to year despite variations in annual license numbers*
 17 *which may result from the renewal of licenses by mechanical*
 18 *techniques.*

19 *c. Such other information as the commissioner shall require in*
 20 *order to carry out the purposes of this act.*

1 5. Section 11 of P. L. 1951, c. 187 (C. 17:15A-11) is amended to
 2 read as follows:

3 11. If the commissioner shall find that the applicant fails to meet
 4 any of the conditions set forth in section 7 of this act, he shall not
 5 issue such license, and he shall notify the applicant of the denial.
 6 If an application is denied or withdrawn, the commissioner shall
 7 【retain the investigation fee to cover the costs of investigating
 8 the application and】 **retain the investigation fee to cover the costs*
 9 *of investigating the application and** return the license fee to the
 10 applicant.

1 6. Section 14 of P. L. 1951, c. 187 (C. 17:15A-14) is amended to
 2 read as follows:

3 14. Any licensee may open and maintain, within this State, one
 4 or more limited stations for the purpose of cashing checks, drafts
 5 or money orders for the particular group or groups, specified in
 6 the license authorizing each such station. Such stations shall be
 7 licensed pursuant to and be subject to all the provisions of this act
 8 applicable to licensed cashers of checks【, except that no bond shall
 9 be required for such a station. The annual license fee for each
 10 such limited station shall be \$50.00】.

1 7. Section 17 of P. L. 1951, c. 187 (C. 17:15A-17) is amended to
 2 read as follows:

3 17. The licensee shall not charge or collect in fees, charges, or
 4 otherwise, for cashing a check, draft, or money order drawn on a
 5 bank or other financial institution located in this State a sum or
 6 sums exceeding 【¾ of】 1% thereof, and shall not charge or collect
 7 in fees, charges, or otherwise, for cashing a check, draft, or money
 8 order drawn on any other bank or financial institution a sum or
 9 sums exceeding 【1】 1-1/2% thereof, or \$0.【35】 50, whichever is

10 greater [but in no event shall more than \$3.00 be charged for
 11 cashing any check, draft or money order] **but in no event shall*
 12 *more than **[\$5.00]** **\$8.00** be charged for cashing and check*
 13 *draft or money order**. In every location and upon every mobile
 14 unit licensed under this act, there shall be conspicuously posted
 15 and at all times displayed, a schedule of fees and charges permitted
 16 under this act.

1 8. Section 23 of P. L. 1951, c. 187 (C. 17:15A-23) is amended to
 2 read as follows:

3 23. [Any person, partnership, association or corporation and
 4 the several members, officers, directors, agents and employees
 5 thereof, who shall violate any of the provisions of this act, shall
 6 be guilty of a misdemeanor, and shall be punishable by imprison-
 7 ment for not more than 1 year or by a fine of not more than \$500.00,
 8 or by both such fine and imprisonment.]

9 *a. Any person who engages in the check cashing business in this*
 10 *State without having first obtained a license as required by section*
 11 *2 of this act shall be liable for a penalty of not more than \$1,000.00*
 12 *for each offense. For the purpose of this subsection, each check*
 13 *cashd without a license shall constitute a separate offense.*

14 *b. Any person, including any licensee or any partner, officer,*
 15 *director, or employee, whether salaried or commissioned, of such*
 16 *licensee, or any other person representing a licensee, whether*
 17 *directly or indirectly, who violates any provision of this act or any*
 18 *rule or regulation promulgated in connection therewith, shall be*
 19 *liable for penalty, in addition to all other penalties or forfeitures*
 20 *imposed by this or any other law, of not more than \$1,000.00 for*
 21 *each offense. Any person who shall aid or abet such a violation*
 22 *shall be equally liable for such a penalty as may be imposed upon*
 23 *a principal violator. For the purpose of this subsection, a violation*
 24 *of any section of this act or any rule or regulation promulgated*
 25 *pursuant thereto shall constitute a separate offense.*

26 *c. The commissioner, in his discretion, is hereby authorized and*
 27 *empowered to compromise and settle any claim for a penalty under*
 28 *this section for an amount that appears appropriate and equitable*
 29 *under all of the circumstances.*

30 *d. The penalties provided for in this section, if not voluntarily*
 31 *paid to the commissioner, shall be collected in a summary manner*
 32 *brought in the name of the commissioner pursuant to the provisions*
 33 *of the "Penalty Enforcement Law" (N. J. S. 2A:58-1 et seq.).*

1 9. Section 6 of P. L. 1951, c. 187 (C. 17:15A-6) is repealed.

1 10. This act shall take effect immediately.

4 the several members, officers, directors, agents and employees
5 thereof, who shall violate any of the provisions of this act, shall
6 be guilty of a misdemeanor, and shall be punishable by imprison-
7 ment for not more than 1 year or by a fine of not more than \$500.00,
8 or by both such fine and imprisonment.】

9 *a. Any person who engages in the check cashing business in this*
10 *State without having first obtained a license as required by section*
11 *2 of this act shall be liable for a penalty of not more than \$1,000.00*
12 *for each offense. For the purpose of this subsection, each check*
13 *cashd without a license shall constitute a separate offense.*

14 *b. Any person, including any licensee or any partner, officer,*
15 *director, or employee, whether salaried or commissioned, of such*
16 *licensee, or any other person representing a licensee, whether*
17 *directly or indirectly, who violates any provision of this act or any*
18 *rule or regulation promulgated in connection therewith, shall be*
19 *liable for penalty, in addition to all other penalties or forfeitures*
20 *imposed by this or any other law, of not more than \$1,000.00 for*
21 *each offense. Any person who shall aid or abet such a violation*
22 *shall be equally liable for such a penalty as may be imposed upon*
23 *a principal violator. For the purpose of this subsection, a violation*
24 *of any section of this act or any rule or regulation promulgated*
25 *pursuant thereto shall constitute a separate offense.*

26 *c. The commissioner, in his discretion, is hereby authorized and*
27 *empowered to compromise and settle any claim for a penalty under*
28 *this section for an amount that appears appropriate and equitable*
29 *under all of the circumstances.*

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31 *paid to the commissioner, shall be collected in a summary manner*
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33 *of the "Penalty Enforcement Law" (N. J. S. 2A:58-1 et seq.).*

1 9. Section 6 of P. L. 1951, c. 187 (C. 17:15A-6) is repealed.

1 10. This act shall take effect immediately.

STATEMENT

This bill, amending the Check Cashing Law (P. L. 1951, c. 187, C. 17:15A-1 et seq.), eliminates the requirement that employees of check cashing businesses be fingerprinted as well as the requirement that an applicant for a check cashing license file a \$5,000.00 surety bond. It would eliminate the \$100.00 application fee for a license and license fees for branch offices, and raise the check cashing fee from $\frac{3}{4}$ of 1% to 1% for a check drawn on a New Jersey bank and from 1% to 1½% for a check drawn on an out-of-state bank.

A721 (1979)

ASSEMBLY BANKING AND INSURANCE COMMITTEE

STATEMENT TO
ASSEMBLY, No. 721

STATE OF NEW JERSEY

DATED: MAY 21, 1979

This legislation, amending the Check Cashing Law (P. L. 1951, c. 187, C. 17:15A-1 et seq.), eliminates the requirement that employees of a check cashing business be fingerprinted, as well as the requirement that an applicant for a license file a \$5,000.00 surety bond. The bill also eliminates the \$100.00 application fee required by present law, as well as application and license fees for mobile offices and license fees for branch offices. The bill modifies the nature of the information which is required to appear on the license, and provides for the establishment of a reference number with which the licensee will be identified from year to year, notwithstanding the fact that his license number may change.

The bill also provides for an increase in the fees which may be charged by licensees on checks drawn on a New Jersey bank from $\frac{3}{4}$ of 1% to 1% and the fees on checks drawn on an out-of-state bank from 1% to $1\frac{1}{2}$ %. The minimum fee which may be charged by a seller would be raised from \$0.35 to \$0.50, and the maximum fee of \$3.00 established by the present law would be eliminated.

The bill would impose a penalty of \$1,000.00 for each offense for persons who engage in the check cashing business without a license, and a penalty of \$1,000.00 for each offense for persons who violate any provision of the act or rule or regulation promulgated in connection therewith.

The committee, has amended the legislation to reestablish the \$100.00 investigation fee, and the \$50.00 investigation fee for investigating a new address. The amendments also reestablishes a ceiling of \$5.00 as a check cashing fee.
