

LEGISLATIVE HISTORY CHECKLIST

NJSA 17:9A-53.1

Laws of 1975 Chapter 48

Bill No. S1133

Sponsor(s) Merlino

Date Introduced April 25, 1974

Committee: Assembly Commerce, Industry & Professions; Banking & Insurance
Senate Labor, Industry & Professions

Amended during passage Yes No

Date of passage: Assembly Feb. 10, 1975

Senate Nov. 25, 1974

Date of approval April 7, 1975

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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APPROVED 4.8
4-7-75

SENATE, No. 1133

STATE OF NEW JERSEY

INTRODUCED APRIL 25, 1974

By Senator MERLINO

Referred to Committee on Labor, Industry and Professions

A SUPPLEMENT to article 25 of "The Banking Act of 1948," approved April 29, 1948 (P. L. 1948, c. 67).

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

1 1. A savings bank may invest in or make installment loans upon
2 the terms and conditions prescribed for banks in accordance with
3 article 12 of the act to which this is a supplement; provided, how-
4 ever, that the total of all such loans made by a savings bank pur-
5 suant to this act shall not exceed 10% of such savings bank's
6 deposits.

1 2. This act shall take effect immediately.

STATEMENT

The purpose of this bill is to authorize New Jersey's mutual savings banks to offer installment loans to their depositors and to others upon the same terms and conditions and subject to the same regulations as are now prescribed for commercial banks. The aggregate amount of all such installment loans may not exceed 10% of the total deposits of such bank, however.

New Jersey savings banks are primarily concerned with individual savings deposits which are largely invested in residential mortgage loans. In order to offer full service opportunities to their depositors and to keep mutual savings banks competitive with other banking institutions this bill would give mutual savings banks a limited authority to make and invest in individual installment loans.

Under chapter 228 of the Laws of 1973 savings banks were authorized to make Class II loans (conventional home improvement loans) under article 12. This bill would allow savings banks to make Class I loans under article 12 as well as Class II loans.