

17:12B-26

May 5, 1971

LEGISLATIVE NOTES ON R.S. 17:12B-26
(Corrects Savings & Loan Act)

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- L. 1970, Chapter 157 - S647
Introduced March 12 by Kay.
Bill had statement (copy enclosed).
Not amended during passage.

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SENATE, No. 647

STATE OF NEW JERSEY

INTRODUCED MARCH 12, 1970

By Senator KAY

Referred to Committee on Banking

AN ACT to amend the "Savings and Loan Act (1963)," approved August 30, 1963 (P. L. 1963, c. 144).

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

1 1. Section 26 of P. L. 1963, chapter 144 (C. 17:12B-26) is
2 amended to read as follows:

3 26. 1. Subject to the other limitations of this act, an association
4 may establish and operate one or more section 25 branch offices
5 as follows:

6 (a) In the same municipality in which it operates its principal
7 office, or

8 (b) In any other municipality in the same savings and loan
9 district in which it operates its principal office where there is no
10 principal office or branch office of any other association in operation
11 at the time it is proposed to establish such branch office, or

12 (c) In any other municipality, having a population of 7,500 or
13 more, in the same savings and loan district in which it operates its
14 principal office where, at date of application, there is no principal
15 office of any other association in operation at the time it is proposed
16 to establish such branch office. The presence of one or more branch
17 offices of one or more associations in such municipality shall not
18 prevent the establishment of a section 25 branch office under this
19 subdivision, or

20 (d) In a municipality in which the association is operating a
21 section 25 or 27 branch office where there is no principal office or
22 branch office of another association.

23 (e) For the purposes of this article and of Article XIII, three
24 savings and loan districts are hereby established in this State, to be
25 known respectively as the first savings and loan district, the second
26 savings and loan district and the third savings and loan district.
27 The first savings and loan district shall consist of the counties of

28 Bergen, Essex, Hudson, Morris, Passaic, Sussex and Warren. The
 29 second savings and loan district shall consist of the counties of
 30 Hunterdon, Mercer, Middlesex, Monmouth, Somerset and Union.
 31 The third savings and loan district shall consist of the counties of
 32 Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester,
 33 Ocean and Salem.

34 (f) Nothing in this subsection shall affect the operation of any
 35 branch office legally established under prior law.

1 2. *No association shall establish a section 25 branch office unless*
 2 *the association shall first file written application with the commis-*
 3 *sioner for his approval. Before approving such application, the*
 4 *commissioner shall determine that:*

5 (a) *The association and the proposed branch meet all of the re-*
 6 *quirements of sections 25 and 26 of this act, and*

7 (b) *The establishment and operation of such branch office is in the*
 8 *public interest and will be of benefit to the area served by such*
 9 *branch office, and that*

10 (c) *Such branch office may be established without undue injury to*
 11 *any other association in the area in which it is proposed to locate*
 12 *such branch office, and that*

13 (d) *Conditions in the area to be served, afford reasonable promise*
 14 *of successful operation.*

15 *Within 10 days after the submission of any such application to*
 16 *the commissioner, the applying State association shall give notice*
 17 *by mail of such application to all associations having principal or*
 18 *branch offices within the municipality in which it is proposed to*
 19 *locate the branch office and outside of such municipality if within 2*
 20 *miles of the place where it is proposed to locate such branch office.*
 21 *The notice shall be in a form approved by the commissioner, and*
 22 *shall include the name of the applying association and the street*
 23 *address and municipality where such branch office is to be located.*
 24 *Upon the request of the applying association, the commissioner*
 25 *shall furnish a written list showing the names and street addresses*
 26 *of all State associations to which such notice must be sent. The com-*
 27 *missioner shall conduct such investigation or hearing or both, as he*
 28 *may deem to be advisable.*

29 *Not less than 30 days after mailing of the aforementioned notice*
 30 *and within 90 days thereafter, the commissioner shall announce his*
 31 *decision upon such application and file in his office, a written memo-*
 32 *randum stating the reasons therefor, which shall be open to public*
 33 *inspection; and he shall forthwith thereafter give written notice*
 34 *thereof to the applicant.*

1 3. This act shall take effect immediately.

STATEMENT

This is corrective legislation to reinsert paragraph 2 of the section which was inadvertently omitted when the section was last amended by P. L. 1968, chapter 418.

Enactment of this corrective legislation is recommended by the Department of Banking and the Law Revision and Legislative Services Commission.