

56:11-20

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 1999 **CHAPTER:** 234

NJSA: 56:11-20 (Cashing checks – identification)

BILL NO: A66

SPONSOR(S): Jones

DATE INTRODUCED: Pre-filed

COMMITTEE: **ASSEMBLY:** Banking and Insurance

SENATE: State Government, Banking & Financial Institutions

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** March 23, 1998

SENATE: July 1, 1999

DATE OF APPROVAL: October 13, 1999

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL: Original
(Amendments during passage denoted by superscript numbers)

SPONSORS STATEMENT: (Begins on page 3 of original bill) [Yes](#)

COMMITTEE STATEMENT: **ASSEMBLY:** [Yes](#)

SENATE: [Yes](#)

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: [Yes](#)

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

P.L.1999, CHAPTER 234, *approved October 13, 1999*

Assembly, No. 66

1 **AN ACT** prohibiting the recording of certain information on checks
2 under certain conditions and amending P.L.1991, c.281.

3

4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6

7 1. Section 1 of P.L.1991, c.281 (C.56:11-20) is amended to read
8 as follows:

9 1. As used in this act:

10 "Charge card" means a credit card on an account for which no
11 periodic rate is used to compute a finance charge.

12 "Check" means a demand draft drawn on or payable through an
13 office of a depository institution located in the United States that has
14 imprinted on it the account holder's name and the depository
15 institution's name, location and routing number.

16 "Consumer" means a natural person.

17 "Consumer transaction" means the sale of goods, services or
18 anything of value to a consumer, primarily for personal, family or
19 household purposes~~], but does not include the cashing of a check by~~
20 ~~a depository institution].~~

21 "Credit card" means any card, plate, coupon book, or other single
22 credit device that may be used from time to time to obtain credit.

23 "Depository institution" means a state or federally chartered bank,
24 savings bank, savings and loan association or credit union.

25 (cf: P.L.1991, c.281, s.1)

26

27 2. Section 2 of P.L.1991, c.281 (C.56:11-21) is amended to read
28 as follows:

29 2. a. No person who receives a check in payment of an obligation
30 resulting from a consumer transaction or who cashes a check for a
31 consumer and which as a condition of such acceptance or the cashing
32 of a check requires that the check drawer provide a credit card or
33 charge card, shall record on the check or elsewhere, the card account
34 number. Nothing in this section shall be construed to prohibit any
35 person, as a condition for the acceptance of a check in payment for a
36 consumer transaction or the cashing of a check for a consumer from
37 doing either or both of the following:

38 (1) Requesting a consumer to display a credit card or charge card
39 as a means of identification, or as an indication of credit worthiness or
40 financial responsibility;

41 (2) Recording on the check the type of credit card or charge card

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

Matter underlined thus is new matter.

1 so displayed and the credit card or charge card expiration date.

2 b. Nothing in this section shall:

3 (1) Require any person to accept a check in payment for a
4 consumer transaction or to cash a check for a consumer regardless of
5 whether a credit card or charge card is displayed; or

6 (2) Prohibit a person from recording a credit card number and
7 expiration date on a check as the condition for cashing or accepting
8 that check where that person has agreed with the card issuer to cash
9 or accept checks from the issuer's cardholders and where the issuer
10 guarantees those cardholders' checks.

11 (cf: P.L.1991, c.281, s.2)

12

13 3. This act shall take effect immediately.

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18 Prohibits recording of certain information on checks as a condition for
19 cashing the checks.

ASSEMBLY, No. 66

STATE OF NEW JERSEY 208th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 1998 SESSION

Sponsored by:

Assemblyman LEROY J. JONES, JR.

District 27 (Essex)

SYNOPSIS

Prohibits recording of certain information on checks as a condition for cashing the checks.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



A66 JONES

2

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2 under certain conditions and amending P.L.1991, c.281.

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4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

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7 1. Section 1 of P.L.1991, c.281 (C.56:11-20) is amended to read
8 as follows:

9 1. As used in this act:

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11 periodic rate is used to compute a finance charge.

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13 office of a depository institution located in the United States that has
14 imprinted on it the account holder's name and the depository
15 institution's name, location and routing number.

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18 anything of value to a consumer, primarily for personal, family or
19 household purposes[, but does not include the cashing of a check by
20 a depository institution].

21 "Credit card" means any card, plate, coupon book, or other single
22 credit device that may be used from time to time to obtain credit.

23 "Depository institution" means a state or federally chartered bank,
24 savings bank, savings and loan association or credit union.
25 (cf: P.L.1991, c.281, s.1)

26

27 2. Section 2 of P.L.1991, c.281 (C.56:11-21) is amended to read
28 as follows:

29 2. a. No person who receives a check in payment of an obligation
30 resulting from a consumer transaction or who cashes a check for a
31 consumer and which as a condition of such acceptance or the cashing
32 of a check requires that the check drawer provide a credit card or
33 charge card, shall record on the check or elsewhere, the card account
34 number. Nothing in this section shall be construed to prohibit any
35 person, as a condition for the acceptance of a check in payment for a
36 consumer transaction or the cashing of a check for a consumer from
37 doing either or both of the following:

38 (1) Requesting a consumer to display a credit card or charge card
39 as a means of identification, or as an indication of credit worthiness or
40 financial responsibility;

41 (2) Recording on the check the type of credit card or charge card
42 so displayed and the credit card or charge card expiration date.

43 b. Nothing in this section shall:

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

Matter underlined thus is new matter.

1 (1) Require any person to accept a check in payment for a
2 consumer transaction or to cash a check for a consumer regardless of
3 whether a credit card or charge card is displayed; or

4 (2) Prohibit a person from recording a credit card number and
5 expiration date on a check as the condition for cashing or accepting
6 that check where that person has agreed with the card issuer to cash
7 or accept checks from the issuer's cardholders and where the issuer
8 guarantees those cardholders' checks.
9 (cf: P.L.1991, c.281, s.2)

10

11 3. This act shall take effect immediately.

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13

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STATEMENT

15

16 This bill prohibits a person, including a depository institution, which
17 cashes a check for a consumer from recording a charge card or credit
18 card account number on the check. It does not prohibit a person, as
19 a condition for cashing a check, from requiring a customer to show a
20 credit card or charge card and recording the type of card shown and
21 the expiration date of the card. Under the bill a person, including a
22 depository institution, is not required to cash a check for a consumer.

ASSEMBLY BANKING AND INSURANCE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 66

STATE OF NEW JERSEY

DATED: FEBRUARY 23, 1998

The Assembly Banking and Insurance Committee reports favorably Assembly Bill No. 66.

This bill prohibits a person, including a depository institution, which cashes a check for a consumer from recording a charge card or credit card account number on the check. It does not prohibit a person, as a condition for cashing a check, from requiring a customer to show a credit card or charge card and recording the type of card shown and the expiration date of the card. Under the bill a person, including a depository institution, is not required to cash a check for a consumer.

This bill was prefiled for introduction in the 1998 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.

SENATE STATE GOVERNMENT, BANKING AND FINANCIAL
INSTITUTIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 66

STATE OF NEW JERSEY

DATED: OCTOBER 15, 1998

The Senate State Government, Banking and Financial Institutions Committee reports favorably Assembly Bill No. 66.

This bill prohibits a person, including a depository institution, which cashes a check for a consumer from recording a charge card or credit card account number on the check. It does not prohibit a person, as a condition for cashing a check, from requiring a customer to show a credit card or charge card and recording the type of card shown and the expiration date of the card. Under the bill a person, including a depository institution, is not required to cash a check for a consumer.

PO BOX 004
TRENTON, NJ 08625

Office of the Governor
NEWS RELEASE

CONTACT: Gene Herman
609-777-2600

RELEASE: October 13, 1999

Gov. Christie Whitman has signed the following pieces of legislation:

A-2790, sponsored by Assembly Members Kevin J. O'Toole (R-Essex/Union) and Guy F. Talarico (R-Bergen) and Senators Anthony R. Bucco (R-Morris) and James S. Cafiero (R-Cape May/Atlantic/Cumberland), strengthens requirements for court-ordered counseling of domestic violence offenders. The bill requires a court that orders a domestic violence offender to receive counseling, either as a condition of a defendant's sentence in a criminal matter or as a part of a final restraining order, to direct the defendant to provide documentation of his or her participation in counseling. Previously, courts had the discretion to require a defendant to provide such documentation. The bill also prohibits a court from granting an application by a domestic violence offender to dismiss a final restraining order unless the offender has completed all required attendance at such counseling. The court could, however, dismiss this order at the request of the victim. Previously a court had the discretion whether to grant such an application.

A-2149, sponsored by Assembly Members Carol J. Murphy (R-Essex/Morris /Passaic and Kenneth C. LeFevre (R-Atlantic) and Senator Diane B. Allen (R-Burlington /Camden), creates a mold lien law designed to protect plastics molders in the event a customer fails to pay for work completed. The bill provides for the ability of a molder to obtain a lien on all dies, molds, forms or patterns used for customers. If the balance due the molder for work completed for a customer remains unpaid for 60 days after it is due, the molder is permitted to sell the mold at public auction in the county where it is being held. At least 30 days prior to the sale, the molder is required to send a notice to the owner of the mold stating the place and time of the sale, a description of the mold and an itemized statement for the amount due. The proceeds of the sale will be used to cover the amount due to the molder and reasonable costs of the sale. Any excess amount is to be paid to any prior lien holder and any remainder to the owner. The bill also provides that an existing perfected security interest takes priority over a lien of a molder, and requires any owner seeking to recover a mold from a molder to post a bond in the amount of the charges still outstanding. Further, the bill provides that the sale of a mold shall not be made under the act if it is in violation of any right of an owner under federal patent or copyright law.

A-66, sponsored by Assembly Member LeRoy J. Jones, Jr. (D-Essex), prohibits a person, including a bank or other depository institution, which cashes a check for a consumer, from recording a charge card or credit card account number on the check. Previous law prohibited the recording of a charge or credit card account number on a check which a person or bank or other depository institution receives for deposit. The bill expands the prohibition to a check which is cashed.