

17:16Q-1

LEGISLATIVE HISTORY CHECKLIST  
Compiled by the NJ State Law Library

NJSA: 17:16Q-1 (Depository institutions--reinvestment)

LAWS OF: 1991 CHAPTER: 294

Bill No: A4502

Sponsor(s): Roberts

Date Introduced: February 13, 1991

Committee: Assembly: Financial Institutions

Senate: Labor, Industry

Amended during passage: Yes Amendments during passage  
denoted by asterisks

Date of Passage: Assembly: February 28, 1991

Senate: July 25, 1991

Date of Approval: September 25, 1991

Following statements are attached if available:

Sponsor statement: Yes

Committee Statement: Assembly: Yes

Senate: Yes

Fiscal Note: No

Veto Message: No

Message on signing: No

Following were printed:

Reports: No

Hearings: No

see newspaper clipping -- attached

KBG/dgw

[FIRST REPRINT]  
ASSEMBLY, No. 4502

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 13, 1991

By Assemblyman ROBERTS

1 AN ACT requiring depository institutions to provide certain  
2 information to the Commissioner of Banking.

3

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

6 1. As used in this act:

7 "Appropriate federal financial supervisory agency" means:

8 a. The Comptroller of the Currency with respect to federally  
9 chartered banks;

10 b. The Board of Governors of the Federal Reserve System with  
11 respect to bank holding companies and State chartered banks  
12 which are members of the Federal Reserve System;

13 c. The Federal Deposit Insurance Corporation with respect to  
14 State chartered banks and savings banks which are not members  
15 of the Federal Reserve System; and

16 d. The Director of the Office of Thrift Supervision with  
17 respect to associations whose deposits are insured by the Federal  
18 Deposit Insurance Corporation, and association holding companies.

19 "Board" means the Community Financial Services Advisory  
20 Board established pursuant to section 3 of this act.

21 "Commissioner" means the Commissioner of Banking.

22 "CRA" means the "Community Reinvestment Act of 1977,"  
23 Pub.L. 95-128 (12 U.S.C. §2901 et seq.).

24 "Depository institution" means a State or federally chartered  
25 bank, savings bank or savings and loan association located in this  
26 State.

27 2. Beginning on the effective date of this act, each time a  
28 depository institution receives a CRA rating on and after July 1,  
29 1990, from its appropriate federal financial supervisory agency, it  
30 shall send a copy of the public section of the written evaluation  
31 to the commissioner and the board within <sup>1</sup>[15 business] 45  
32 calendar<sup>1</sup> days of receipt. The commissioner shall make these  
33 reports available to the public for inspection, copying, or both,  
34 and may set a reasonable fee to be charged for inspection,  
35 copying, or both.

36 3. There is created in the Department of Banking a  
37 Community Financial Services Advisory Board. The board shall  
38 consist of the commissioner or his designee, who shall be  
39 ex-officio the chair of the board, the Commissioner of

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup> Assembly AFI committee amendments adopted February 21, 1991.

1 Community Affairs or his designee, who shall be ex-officio the  
2 vice-chair of the board, and 11 members to be appointed by the  
3 Governor with the advice and consent of the Senate for a term of  
4 three years, except that of the 11 members initially appointed by  
5 the Governor, four shall be appointed for three years, four shall  
6 be appointed for two years, and three shall be appointed for one  
7 year. Each member shall hold office for the term of appointment  
8 and until his successor is appointed and qualified. A member is  
9 eligible to be reappointed to the board. A member appointed to  
10 fill a vacancy occurring in the membership of the board for any  
11 reason other than the expiration of the term shall have a term of  
12 appointment for the unexpired term only. All vacancies shall be  
13 filled in the same manner as the original appointment. Any  
14 appointed member of the board may be removed from office by  
15 the Governor, for cause, after a hearing and may be suspended by  
16 the Governor pending the completion of the hearing. Members of  
17 the board shall serve without compensation, but shall be  
18 reimbursed for necessary expenses incurred in the performance of  
19 their duties as members. Action may be taken and motions and  
20 resolutions may be adopted by the board at a board meeting by an  
21 affirmative vote of not less than seven members. Of the 11  
22 appointed members, five shall each have had, at the time of  
23 appointment, not less than five years of practical experience as  
24 an active executive officer in a depository institution located in  
25 the State of New Jersey; and six shall be public members who are  
26 not salaried officers, directors or employees of any depository  
27 institution, at least four of whom shall be selected from  
28 non-profit organizations which have had experience in developing  
29 low and moderate income housing programs, assisting low and  
30 moderate income consumers in securing credit from depository  
31 institutions in this State, or developing programs to educate  
32 consumers regarding the credit and lending practices of  
33 depository institutions in this State. At no time shall there be  
34 more than one representative on the board from any one  
35 depository institution or group of depository institutions which  
36 form a holding company. Of the five members specified to have  
37 had practical executive experience, at least three shall have had  
38 responsibility for a depository institution's community  
39 reinvestment activities and, at least one each shall be appointed  
40 from the following groups: savings banks; banks located in the  
41 Second Federal Reserve District; banks located in the Third  
42 Federal Reserve District; and savings and loan associations.

43 4. a. The board shall review the CRA reports submitted to it  
44 pursuant to section 2 of this act.

45 b. The board shall act as a resource to the commissioner by  
46 developing and recommending to the commissioner ideas and  
47 programs to assist:

- 48 (1) depository institutions in meeting community credit needs;  
49 and  
50 (2) consumers in understanding and using credit opportunities

1 available through depository institutions in the State.

2 5. The commissioner may promulgate regulations pursuant to  
3 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1  
4 et seq.), necessary to effectuate the provisions of this act.

5 6. This act shall take effect immediately.

6

7

8

BANKING AND FINANCE

9

10 Requires depository institutions to provide Commissioner of  
11 Banking certain information.



ASSEMBLY FINANCIAL INSTITUTIONS COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 4502**

with committee amendments

**STATE OF NEW JERSEY**

DATED: FEBRUARY 21, 1991

The Assembly Financial Institutions Committee reports favorably Assembly Bill No. 4502 with committee amendments.

This bill, as amended by the committee, requires each State or federally chartered bank, savings bank, and savings and loan association to provide the Commissioner of Banking and the Community Financial Services Advisory Board with a copy of the public part of its written Community Reinvestment Act evaluation within 45 days of receipt of the evaluation from its appropriate federal financial institution regulatory agency. The commissioner is to make this information available to the public for inspection, copying, or both and is permitted to set a reasonable fee for inspection, copying, or both.

The bill creates a Community Financial Services Advisory Board which will review the CRA evaluations sent to it by depository institutions and make recommendations to the commissioner concerning ideas and programs to assist depository institutions in meeting community credit needs and consumers in understanding and using credit opportunities available through depository institutions in the State.

The amendment to the bill changes the number of days a depository institution has to submit the public part of its Community Reinvestment Act evaluation to the Commissioner of Banking from 15 business days to 45 calendar days.

SENATE LABOR, INDUSTRY AND PROFESSIONS COMMITTEE

STATEMENT TO

[FIRST REPRINT]

ASSEMBLY, No. 4502

LAW LIBRARY COPY  
DO NOT REMOVE

STATE OF NEW JERSEY

DATED: MAY 13, 1991

The Senate Labor, Industry and Professions Committee reports favorably Assembly Bill No. 4502 (1R).

This bill requires each State or federally chartered bank, savings bank and savings and loan association to provide the Commissioner of Banking and the Community Financial Services Advisory Board, which is created by the bill, with a copy of the public part of its written Community Reinvestment Act (CRA) evaluation within 45 days of receipt of the evaluation from its appropriate federal financial supervisory agency. The commissioner is to make this information available to the public for inspection, copying, or both and is permitted to set a reasonable fee for inspection, copying, or both.

The bill creates a Community Financial Services Advisory Board which will review the CRA evaluations sent to it by depository institutions and make recommendations to the commissioner concerning ideas and programs to assist depository institutions in meeting community credit needs and consumers in understanding and using credit opportunities available through depository institutions in the State. The board is to be comprised of 13 members. The Commissioners of Banking and Community Affairs, or their designees, are to serve on the board ex-officio as the chair and vice-chair, respectively. The other 11 members are to be appointed by the Governor with the advice and consent of the Senate, of those members, five are to represent depository institutions and the remaining six members are to be public members with experience with low and moderate income housing programs or consumer credit education.