

52:18-16.1

LEGISLATIVE HISTORY CHECKLIST

PLSA 52:18-16.1 (Time deposits-auctioned by State Treasurer)

LAWS OF 1977 CHAPTER 339

Bill No. S104

Sponsor(s) Feldman, Fay

Date Introduced Pre-filed

Committee: Assembly State Gov't, Federal & Interstate Relations & Veterans Affairs, Banking & Insurance
Senate State Gov't, Federal & Interstate Relations & Veterans Affairs

Amended during passage Yes Amendments during passage denoted by asterisks

Date of Passage: Assembly December 1, 1977
Senate January 27, 1977

Date of approval January 25, 1977

Following statements are attached if available:

Sponsor statement Yes
Committee Statement: Assembly Yes 12-1-77 & 3-2-78
Senate Yes
Fiscal Note Yes
Veto message No
Message on signing No

Following were printed:

Reports No
Hearings No

Sponsor's Statement: This bill amends the current law regarding the deposit of public money. It expressly authorizes the treasurer to auction State time deposits according to terms he may prescribe.

9/1/78

M.S.

Vertical stamp: LEGISLATIVE HISTORY CHECKLIST

339 78  
1/25/78  
[SECOND OFFICIAL COPY REPRINT]

SENATE, No. 104

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1976 SESSION

By Senators FELDMAN and FAY

AN ACT to amend "An act concerning the deposit of public moneys by the State Treasurer in certain cases and publication of notice thereof, supplementing chapter 18 of Title 52 of the Revised Statutes, repealing sections 52:18-17 and 52:18-18 of the Revised Statutes, and amending section 52:18-21 of the Revised Statutes," approved December 20, 1956 (P. L. 1956, c. 174).

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

1 1. Section 1 of P. L. 1956, c. 174 (C. 52:18-16.1) is amended to  
2 read as follows:

3 1. The State Treasurer shall, except as otherwise provided,  
4 deposit to his credit as treasurer all public moneys coming into  
5 his hands, within 3 days after receiving the same, in such of the  
6 national banks located in this State, **\*\*[and]\*\*** **\*\*in\*\*** institutions  
7 authorized by this State to carry on a banking **\*\*or savings and**  
8 **loan\*\*** business, **\*\*and in the State of New Jersey Cash Manage-**  
9 **ment Fund established pursuant to section 1 of this amendatory**  
10 **and supplementary act\*\*** as he may select, that will allow interest  
10A on all balances. In so doing, the treasurer **\*\*[may]\*\*** **\*shall\*** from  
10B time to time, by public notice, offer at auction State deposits and  
10C invite tenders **\*\*[therefore]\*\*** **\*\*therefor\*\*** subject to such terms  
11 and conditions as he may prescribe. All interest **[so]** earned on  
12 deposits shall be credited to the State. When in the judgment of  
13 the State Treasurer it is not compatible with the working capital  
14 requirements of the State or with public safety to deposit public  
15 moneys or portion thereof, upon interest-bearing terms, as hereto-  
16 fore provided in this section, the State Treasurer may deposit the

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

17 same without interest or open-time accounts with interest subject  
18 to withdrawal upon notice, conforming with Federal laws and  
19 regulations governing the same, in such of the national banks  
20 located in this State and institutions authorized by this State to  
21 carry on a banking *\*\*or savings and loan\*\** business as he may  
22 select, until such a condition has, in his judgment, ceased to exist.

23 In all cases where a deposit is made *\*\*in a national bank located*  
23A *in this State or institution authorized by this State to carry on a*  
23B *banking or savings and loan business\*\**, pursuant to this section,  
24 the State Treasurer shall require from any such institution a  
25 deposit of bonds, notes, certificates of indebtedness or bills or  
26 other obligations of or guaranteed by the United States; or bonds  
27 or other obligations of or guaranteed by the State of New Jersey;  
28 or any other obligations now or hereafter authorized by law as  
29 security for public deposits; designed to secure any deposit made  
30 pursuant to this section; provided, that such requirement shall  
31 be deemed to be met if the Federal Reserve Bank of New York  
32 or the Federal Reserve Bank of Philadelphia or any other bank-  
33 ing institution with total assets in excess of \$300,000,000.00 located  
34 within the Second or Third Federal Reserve Districts and ap-  
35 proved for such purpose by the State Treasurer certifies to the  
36 State Treasurer that, pursuant to authority given by the de-  
37 pository, it holds obligations, owned by the depository, of the  
38 kind and in the amount required by the State Treasurer to secure  
39 any such deposit. No bank shall be permitted to hold securities,  
40 of the kind hereinbefore described, as security for public moneys  
41 on deposit in the same bank.

42 *\*\*No State or national bank or savings and loan association in*  
43 *which the State Treasurer makes deposits of public moneys as*  
44 *above provided shall be required to secure such deposits as re-*  
45 *quired by this section, to the extent that such deposits are insured*  
46 *by the Federal Deposit Insurance Corporation or by the Federal*  
47 *Savings and Loan Insurance Corporation or by any other Federal*  
48 *agency which insures deposits made in state or national banks or*  
49 *savings and loan associations.\*\**

1 2. This act shall take effect immediately.

ASSEMBLY STATE GOVERNMENT, FEDERAL AND  
INTERSTATE RELATIONS AND VETERANS  
AFFAIRS COMMITTEE

STATEMENT TO

**SENATE, No. 104**

[OFFICIAL COPY REPRINT]

with Assembly committee amendments

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**STATE OF NEW JERSEY**

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DATED: DECEMBER 1, 1977

As the statement by the Senate State Government Committee indicates, this bill provides a statutory base for a practice already in the regulations of the Department of the Treasury. It amends title 52 so that the State Treasurer is mandated to auction deposits of State money and invite banks and banking institutions, by public notice, to bid for the deposit of such State money.

The committee amended the bill (1) to incorporate a recently-enacted change in this section of the law (P. L. 1977, c. 281, approved November 2, 1977), and (2) to include savings and loan associations as possible depositories of State money. The latter amendment formalizes current practice in the Department of Treasury and incorporates in Senate Bill No. 104 the provisions of Senate Bill No. 1040, which passed the Senate on May 24, 1976 and the Assembly on October 3, 1977.

ASSEMBLY BANKING AND INSURANCE COMMITTEE

STATEMENT TO

**SENATE, No. 104**

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**STATE OF NEW JERSEY**

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DATED: MARCH 2, 1978

This legislation, as amended by the Banking and Insurance Committee, would limit the review fee permitted to be charged by a lender's attorney in a mortgage loan transaction to \$100.00, in transactions involving a one- to six-family dwelling. The bill has also been amended to correspond to Senate Bill No. 35, also released by the committee, which permits borrowers in all mortgage loan transactions, including mortgages on commercial property, to be represented by the attorney of their choice.

SENATE STATE GOVERNMENT, FEDERAL AND  
INTERSTATE RELATIONS AND VETERANS AFFAIRS  
COMMITTEE

STATEMENT TO

**SENATE, No. 104**

with Senate committee amendments

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**STATE OF NEW JERSEY**

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DATED: JANUARY 11, 1977

This bill provides a statutory base for a practice already in the regulations of the Department of the Treasury. It amends Title 52 so that the State Treasurer may auction deposits of State money and invite banks and banking institutions, by public notice, to bid for the deposit of such State money.

The purpose of the bill is to prevent an exercise of favoritism by the treasurer in selecting banks to serve as governmental depositories. The sponsor has submitted a suggested amendment to the committee which would mandate such an action rather than merely permitting it.

The bill is supported by the treasurer and also by the New Jersey Bankers Association.

FISCAL NOTE TO  
**SENATE, No. 104**  
[OFFICIAL COPY REPRINT]

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**STATE OF NEW JERSEY**

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DATED: APRIL 5, 1977

The Official Copy Reprint of Senate Bill No. 104 amends Title 52 of the Revised Statutes so that the State Treasurer may auction deposits of State money and invite banks and banking institutions, by public notice, to bid for the deposit of such State money.

The Treasury Department states that the fiscal impact of enactment of this legislation will be negligible since the department is already operating with auction bids.

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In compliance with written request received, there is hereby submitted a fiscal estimate for the above bill, pursuant to P. L. 1962, c. 27.