

R.S. 17: 12B-152

LEGISLATIVE FACT SHEET

ON

N.J.R.S. 17:12B-152 (S+L - Loans, investments)  
( 1966 Amendment)

LAWS OF 1966

CHAPTER 270

SENATE

ASSEMBLY 291

INTRODUCED Feb. 2, 1966

BY Tammam, Hyland, Miller

STATEMENT

YES

NO

AMENDED DURING PASSAGE

YES

NO

HEARING

VETO

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A 291 (1966)

2

3 153. The commissioner shall have power, *in relation to loans or invest-*  
4 *ments described in section 152*, to set forth in such regulations the [types of  
5 property which are eligible to secure such loans and such other] require-  
6 ments which in his judgment are necessary to establish appropriate safe-  
7 guards. The commissioner may also establish a requirement that an insured  
8 association shall meet minimum reserve requirements which may be set  
9 forth in such regulations, in order to be eligible to make loans *or invest-*  
10 *ments* under the provisions of [this] section 152 of this act. The commis-  
11 sioner, when issuing such regulations, shall to the extent feasible and after  
12 giving consideration to the financial and economic circumstances and the  
13 public welfare, endeavor to promulgate such rules and regulations in sub-  
14 stantial conformity with similar rules and regulations of the Federal Home  
15 Loan Bank Board as applied to Federal associations. In no event shall an  
16 insured association make any loan *or investment* under the provisions of sec-  
17 tion 152 of this act when the total of all loans *or investments* held, under the  
18 provisions of such section, exceeds an amount equal to [10%] 20% of its total  
19 assets.

1 3. This act shall take effect immediately.

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#### STATEMENT

The purpose of this bill is to permit State chartered savings and loan as-  
sociations additional flexibility in their loans and investments so they may per-  
form a broader service to the public and may have powers similar to those  
permitted to Federal savings and loan associations and mutual savings banks.

CHAPTER 222 LAWS OF N. J. 1966  
APPROVED 9/2/66

[OFFICIAL COPY REPRINT]

ASSEMBLY, No. 291

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 7, 1966

By Assemblymen TANZMAN, HYLAND and MILLER

Referred to Committee on Business Affairs

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 of New*  
2 *Jersey:*

1 1. Section 152 of the act of which this act is amendatory is amended to  
2 read as follows:

3 152. The commissioner may adopt, amend, alter or rescind regulations  
4 permitting insured associations, in addition to the powers to make mortgage  
5 loans [herein above] *hereinabove* set forth, to make first mortgage loans to  
6 a greater percentage of appraised value or for a longer term of years, or  
7 both, than is otherwise limited by this act *and to make any other loan*  
8 *or investment for a purpose not specifically authorized by this act \**, but  
9 *nothing herein shall authorize the commissioner to adopt a regulation which*  
10 *would permit such associations to make any kind of loan or investment*  
11 *which Federal associations are not specifically authorized to make.\* Any*  
12 [mortgage] loans *or investments* legally made under the provisions of regu-  
13 lations adopted under the authority granted by this section shall be legal  
14 loans *or investments* if they conform with the regulations in effect at the date  
15 of closing or purchase of said loan *or investment*, notwithstanding the subse-  
16 quent amendments, alterations, rescissions or repeals of the regulations in  
17 effect at the date of such closing or purchase.

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

1       2. Section 153 of the act of which this act is amendatory is amended to  
2 read as follows:

3       153. The commissioner shall have power, *in relation to loans or invest-*  
4 *ments described in section 152*, to set forth in such regulations the [types of  
5 property which are eligible to secure such loans and such other] require-  
6 ments which in his judgment are necessary to establish appropriate safe-  
7 guards. The commissioner may also establish a requirement that an insured  
8 association shall meet minimum reserve requirements which may be set  
9 forth in such regulations, in order to be eligible to make loans *or invest-*  
10 *ments* under the provisions of [this] section 152 of this act. The commis-  
11 sioner, when issuing such regulations, shall to the extent feasible and after  
12 giving consideration to the financial and economic circumstances and the  
13 public welfare, endeavor to promulgate such rules and regulations in sub-  
14 stantial conformity with similar rules and regulations of the Federal Home  
15 Loan Bank Board as applied to Federal associations. In no event shall an  
16 insured association make any loan *or investment* under the provisions of sec-  
17 tion 152 of this act when the total of all loans *or investments* held, under the  
18 provisions of such section, exceeds an amount equal to [10%] 20% of its total  
19 assets.

1       3. This act shall take effect immediately.

R.S. 17:12B-165

LEGISLATIVE FACT SHEET

ON

N.J.R.S. 17:12B-165 (S+L mortgages - Limit)  
(1966 Amendment)

LAWS OF 1966

CHAPTER 322

SENATE

ASSEMBLY 289

INTRODUCED Feb. 7, 1966

BY Tanyman, Hylant, Miller

STATEMENT

YES

NO

AMENDED DURING PASSAGE

YES

NO

HEARING

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48 (6) Loans on securities. In loans upon obligations secured by the pledge  
49 of any security designated in subsections (1) and (5) of this section; pro-  
50 vided, that such loans shall not exceed 80% of the market value of the se-  
51 curity pledged as collateral; and provided further, that no funds may be  
52 invested pursuant to this subsection which are required for other authorized  
53 loans to members.

54 (7) Central corporation. In the capital stock, securities, debentures or  
55 other obligations of a single corporation organized under the laws of the  
56 State of New Jersey, the entire capital stock of which corporation shall be  
57 open to, subscribed for, and issued to State associations of this State and  
58 such Federal associations that have their principal offices in this State; pro-  
59 vided, however, that the original capital stock of such corporation shall ag-  
60 gregate at least \$200,000.00 from subscriptions and payments by at least  
61 10 of the aforementioned associations; and provided further, that no asso-  
62 ciation, aforementioned, may invest its funds under this subsection in an  
63 amount exceeding 5% of its assets at the time of such subscription, payment  
64 or investment, except with the approval of the commissioner.

65 (8) Federal corporations. In the capital stock, securities, debentures or  
66 other obligations of any corporation created by Act of Congress in which  
67 such investment may be open to associations and which shall afford advan-  
68 tages or safeguards to associations.

69 (9) In any other investment in which an association is, or shall be, au-  
70 thorized to invest by any law of this State.

1 2. This act shall take effect immediately.

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#### STATEMENT

The purpose of this bill is to permit State chartered savings and loan as-  
sociations greater flexibility in participating in mortgage loans in their normal  
lending areas. Under present conditions they are more severely restricted as  
to such investments within their normal lending areas than they are to partici-  
pation outside of their normal lending areas.