

17:12B-48

LEGISLATIVE HISTORY CHECKLIST

NJSA: 17:12B-48 (Savings and loans—grants Federal powers)

LAWS OF: 1983 CHAPTER: 5

Bill No.: A1502

Sponsor(s): Doyle

Date Introduced: May 24, 1982

Committee: Assembly: \_\_\_\_\_

Senate: Labor, Industry and Professions

Amended during passage: Yes // Amendments during passage denoted by asterisks

Date of Passage: Assembly: June 14, 1982

Senate: October 25, 1982

Date of Approval: Jan. 17, 1983

Following statements are attached if available:

Sponsor statement: Yes //

Committee statement: Assembly /// No

Senate Yes //

Fiscal Note: /// No

Veto Message: /// No

Message on Signing: Yes //

Following were printed:

Reports: /// No

Hearings: /// No

Law, referred to in sponsor's statement:  
L.1981, c.101

DOYLE  
1982

007 1983

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1-17-83

[OFFICIAL COPY REPRINT]  
**ASSEMBLY, No. 1502**

**STATE OF NEW JERSEY**

INTRODUCED MAY 24, 1982

By Assemblyman DOYLE

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 48 of P. L. 1963, c. 144 (C. 17:12B-48) is amended  
2 to read as follows:

3 48. Specific powers. Without limiting the generality of the fore-  
4 going, every association shall have power to:

5 (1) Have succession by its corporate name for the period lim-  
6 ited in its charter or certificate of incorporation, and when no  
7 period is limited, perpetually.

8 (2) Sue and be sued in any court.

9 (3) Adopt and use a corporate seal and alter the same.

10 (4) Purchase and otherwise acquire, hold, mortgage, pledge,  
11 lease, exchange, sell, convey and otherwise dispose of, any real  
12 and personal property, necessary or incidental to its operations  
13 and consistent with its powers and purposes.

14 (5) Insure its members' accounts with the Federal Savings and  
15 Loan Insurance Corporation, and comply with conditions necessary  
16 to obtain and maintain such insurance.

17 (6) Become a member of or stockholder in a Federal Home Loan  
18 Bank and to that end to comply with all conditions of membership  
19 therein.

20 (7) Act as agent for the United States or the State of New  
21 Jersey or any instrumentality of either of them, when designated  
22 for that purpose, and perform such reasonable duties as such agent  
23 as may be required of it.

**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 printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

\*—Senate amendments adopted September 23, 1982.

24 (8) Join any cooperative league organized for the purpose of  
25 protecting and promoting the welfare of associations and their  
26 members and comply with all conditions of membership therein.

27 (9) Borrow money from any source in or out of the State, on  
28 the note, bond and mortgage or other obligation of the association  
29 upon such terms and conditions as the board may from time to  
30 time prescribe by resolution adopted by at least a majority of  
31 all the members of the board and duly recorded on the minutes and  
32 to pledge, assign or transfer mortgages, owned by the association  
33 and the obligations secured by such mortgages, together with the  
34 shares, if any, pledged as collateral security therefor, or any real or  
35 other personal property, as security for the repayment of money  
36 so borrowed. No association shall borrow money if by doing so  
37 the aggregate of its indebtedness for borrowed money other than  
38 to the Federal Home Loan Bank will exceed 20% of its capital,  
39 except with the approval of the commissioner.

40 (10) (Deleted by amendment.)

41 (11) Require an advance payment of interest for a period of  
42 1 month on any loan; and accept advance payments of interest,  
43 if made at the option of the debtor, for any period on any loan.  
44 None of such payments shall be deemed usurious.

45 (12) Where shares are issued, charge an admission fee, not to  
46 exceed \$0.25 per share, which shall include the cost of membership  
47 or share certificate and account book.

48 (13) Impose charges upon a member for failure to make any  
49 payment to the association when due, but only as provided in this  
50 paragraph. Where the association issues installment share ac-  
51 counts it may impose such charge upon any member holding such  
52 an account or any borrower upon a sinking fund mortgage not in  
53 excess of 1% a month upon the amount in arrears, except for the  
54 first month's arrearage or the amount by which such first month's  
55 arrearage may be increased by subsequent arrearage in which case  
56 a charge not in excess of 5% may be imposed. Such charges shall  
57 be subject to the further limitations that no such charge shall be  
58 deducted from any amount actually paid by a member upon an  
59 account nor shall the total of any such charges against any account  
60 in any fiscal year exceed the amount that may be charged for fail-  
61 ure to make any payments for a 6-month period nor shall any  
62 charge for default be made on a charge for default. Otherwise  
63 an association may impose a charge for failure to make any re-  
64 quired payment to it when due upon any loan or contract for the  
65 resale of real estate to a member not to exceed 4% of the amount  
66 of each payment in arrears but no more than one such charge may

67 be made with respect to any one payment in arrears. An associa-  
68 tion may impose a reasonable service charge against any member  
69 who tenders to such association, for collection or as payment, a  
70 check or other instrument of any type which subsequently is not  
71 honored by the institution or person upon which such check or  
72 other instrument is drawn. None of such charges shall be deemed  
73 usurious.

74 (14) Compute interest upon any direct reduction loan, on desig-  
75 nated payment dates, and add the same to the unpaid balance of  
76 such loan.

77 (15) Act as agent for any person where such agency will further  
78 the interests of the association and its members, subject to such  
79 limitations as may be prescribed by the commissioner.

80 (16) Upon application to and approval by the commissioner, to  
81 act as custodian or trustee within the contemplation of the Federal  
82 Self-Employed Individuals Tax Retirement Act of 1962, as amended  
83 and supplemented, and the Employee Retirement Income Security  
84 Act of 1974 as amended and supplemented, and as custodian, trust-  
85 tee or manager of any such investment fund the authorized invest-  
86 ments of which include, but need not be limited to, savings accounts  
87 or real estate loans, and the beneficial interests in which may be  
88 represented by transferable shares or certificates. Associations  
89 exercising the powers authorized by this subsection shall segregate  
90 all funds held in such fiduciary capacities from the general assets  
91 of the association and shall keep a separate set of books and records  
92 showing in detail all transactions made under authority of this sub-  
93 section. If individual records are kept for each self-employed indi-  
94 vidual's retirement plan and each such investment fund, then all  
95 such funds held in such fiduciary capacities by an association may  
96 be commingled for appropriate purposes of investment. No funds  
97 held in such fiduciary capacities shall be used by an association in  
98 the conduct of its business; however, such funds may be invested  
99 in savings accounts of the association in the event that the cus-  
100 todial, trust or other plan does not prohibit such investment. In  
101 granting or refusing the association's application the commissioner  
102 shall take into consideration the investment policies, amount, type  
103 and adequacy of reserves, fidelity bonds and any legally required  
104 deposits of the applicant and other pertinent facts and circum-  
105 stances.

106 (17) Upon compliance with subsection (5) of this section, accept  
107 from its members accounts to be repaid upon such terms, not in-  
108 consistent with this act, as are approved by the Commissioner of  
109 Banking, by regulation or otherwise, provided that no account shall

110 exceed the limitations established by section 78 of P. L. 1963, c. 144  
111 (C. 17:12B-78), and provided further that no account shall be  
112 accepted or issued in the name of any corporation, association or  
113 partnership or in the name of any individual for use in trade  
114 or business. An association issuing such accounts may honor  
115 demands for withdrawal of such accounts in the form of negotiable  
116 checks, drafts or orders in the form of electronic fund transfers  
117 and may become a member of a clearing facility and satisfy rea-  
118 sonable conditions required for its qualification and pay reasonable  
119 expenses therefor. Such accounts may be either interest-bearing  
120 or noninterest-bearing; provided, however, that the payment of  
121 interest on such accounts be permitted by federal law. An associa-  
122 tion accepting accounts pursuant to this subsection shall, at all  
123 times, maintain reserves against such accounts as shall be pre-  
124 scribed in regulations issued by the commissioner in accordance  
125 with the "Administrative Procedure Act," P. L. 1968, c. 410  
126 (C. 52:14B-1 et seq.) but such reserves shall be equal in nature  
127 and amount to those required of savings banks in this State against  
128 similar accounts. Such reserves shall be maintained in cash or  
129 deposits in one or more reserve depositories as authorized by the  
130 Commissioner of Banking. Regulations of the commissioner may  
131 also provide that associations issuing such type of accounts main-  
132 tain a general reserve account, federal insurance reserve account  
133 and undivided profits of specified minimum amounts and provide  
134 for minimum standards of office facilities in connection therewith.  
135 An insured association may impose a reasonable service charge for  
136 providing and maintaining such accounts for the benefits of its  
137 members.

138 (18) Issue credit cards, extend credit in connection therewith,  
139 and otherwise engage in or participate in credit card operations  
140 subject to such regulations as the commissioner may prescribe.  
141 Any such regulations shall be in substantial conformity with similar  
142 rules and regulations of the Federal Home Loan Bank Board.

143 (19) (a) Apply to the commissioner for permission to act as  
144 trustee, executor, administrator, guardian, or in any other fiduciary  
145 capacity in which federal savings and loan associations doing  
146 business in this State, are permitted to act. Associations exercising  
147 any or all of the powers enumerated in this section shall segregate  
148 all assets held in any fiduciary capacity from the general assets  
149 of the association and shall keep a separate set of books and  
150 records showing in proper detail all transactions engaged in under  
151 authority of this section. No association shall receive in its trust  
152 department deposits of current funds subject to check or the deposit

153 of checks, drafts, bills of exchange, or other items for collection  
154 or exchange purposes. Funds deposited or held in trust by the  
155 association awaiting investment shall be carried in a separate  
156 account and shall not be used by the association in the conduct of  
157 its business unless it shall first set aside in the trust department  
158 United States bonds or other securities approved by the commis-  
159 sioner. In the event of the failure of such association, the owners  
160 of the funds held in trust for investment shall have a lien on the  
161 bonds or other securities so set apart in addition to their claim  
162 against the estate of the association. Whenever the laws of this  
163 State require corporations acting in a fiduciary capacity to deposit  
164 securities with the State authorities for the protection of private or  
165 court trusts, associations so acting shall be required to make similar  
166 deposits and securities so deposited shall be held for the protection  
167 of private or court trusts, as provided by New Jersey law. Associa-  
168 tions in such cases shall not be required to execute the bond usually  
169 required of individuals if New Jersey corporations under similar  
170 circumstances are exempt from this requirement. Associations  
171 shall have power to execute such bond when so required by the laws  
172 of New Jersey. In any case in which the laws of this State require  
173 that a corporation acting as trustee, executor, administrator, or  
174 in any capacity specified in this section, shall take an oath or make  
175 an affidavit, any officer, as defined in section 65 of P. L. 1963, c. 144  
176 (C. 17:12B-65) of such association may take the necessary oath or  
177 execute the necessary affidavit. It shall be unlawful for any associa-  
178 tion to lend any officer, director, or employee any funds held in  
179 trust under the powers conferred by this section. Any officer,  
180 director, or employee making such loan, or to whom such loan is  
181 made, may be fined not more than \$5,000.00, or imprisoned not more  
182 than 5 years, or may be both fined and imprisoned, in the discretion  
183 of the court. In passing upon applications for permission to exer-  
184 cise the powers enumerated in this section, the commissioner may  
185 take into consideration the amount of capital and surplus of the  
186 applying association, whether or not such capital and surplus is  
187 sufficient under the circumstances of the case, the needs of the com-  
188 munity to be served, and any other facts and circumstances that  
189 seem to him proper, and may grant or refuse the application  
190 accordingly, except that approval shall not be granted to any as-  
191 sociation having a capital and surplus less than the capital and  
192 surplus required by New Jersey law of State banks, trust com-  
193 panies, and corporations exercising such powers.

194 (b) Any association desiring to surrender its right to exercise  
195 the powers granted under this section, in order to relieve itself of

196 the necessity of complying with the requirements of this section,  
197 or to have returned to it any securities which it may have deposited  
198 with the State authorities for the protection of private or court  
199 trusts, or for any other purpose, may file with the commissioner a  
200 certified copy of a resolution of its board of directors signifying  
201 such desire. Upon receipt of such resolution, the commissioner,  
202 after satisfying himself that such association has been relieved in  
203 accordance with State law of all duties as trustee, executor,  
204 administrator, guardian or other fiduciary, under court, private or  
205 other appointments previously accepted under authority of this  
206 section, may in its discretion, issue to such association a certificate  
207 certifying that such association is no longer authorized to exercise  
208 the powers granted by this section. Upon the issuance of such a  
209 certificate by the commissioner, such association (i) shall no longer  
210 be subject to the provisions of this section or the regulations of the  
211 commissioner made pursuant thereto, (ii) shall be entitled to have  
212 returned to it any securities which it may have deposited with the  
213 State authorities for the protection of private or court trusts, and  
214 (iii) shall not exercise thereafter any of the powers granted by  
215 this section without first applying for and obtaining approval to  
216 exercise such powers pursuant to the provisions of this section.

217 (c) The commissioner is authorized and empowered to promul-  
218 gate such regulations as he may deem necessary to enforce com-  
219 pliance with the provisions of this section and the proper exercise  
220 of the trust powers granted by this section. Any such regulations  
221 shall be in substantial conformity with similar rules and regula-  
222 tions of the Federal Home Loan Bank Board.

223 (20) In accordance with rules and regulations promulgated by  
224 the commissioner, issue and sell directly to subscribers or through  
225 underwriters mutual capital certificates. Such certificates shall  
226 constitute part of the general reserve and net worth of the issuing  
227 association. Such certificates—

228 (a) Shall be subordinate to all savings accounts, savings certifi-  
229 cates, and debt obligations;

230 (b) Shall constitute a claim in liquidation on the general re-  
231 serves, surplus, and undivided profits of the association remaining  
232 after the payment in full of all savings accounts, savings certifi-  
233 cates, and debt obligations;

234 (c) Shall be entitled to the payment of dividends; and

235 (d) May have a fixed or variable dividend rate.

236 The commissioner is authorized and empowered to promulgate  
237 such regulations as he may deem necessary with respect to the  
238 powers granted by this section. Any such regulations shall be in

239 substantial conformity with similar rules and regulations of the  
240 Federal Home Loan Bank Board. The commissioner shall provide  
241 in his regulations for charging losses to the mutual capital certifi-  
242 cates, reserves, and other net worth accounts.

243 (21) If authorized by regulation of the commissioner, exercise  
244 any power, right, benefit, or privilege permitted to federal associa-  
245 tions, [provided that such power, right, benefit or privilege is not  
246 contrary to law] \**[unless otherwise specifically provided by any*  
247 *law enacted on or after the effective date of this amendatory act.*  
248 *Such]*\* *\*provided that such power, right, benefit or privilege is*  
249 *not specifically prohibited by law, which\** regulation shall be in  
250 substantial conformity with similar rules and regulations of the  
251 Federal Home Loan Bank Board\*; *and exercise any power, right,*  
252 *benefit or privilege under this section, modified by regulation of*  
253 *the commissioner, where the Federal Home Loan Bank Board has,*  
254 *by regulation, modified that power, right, benefit or privilege with*  
255 *respect to federal associations\*.*

1 2. This act shall take effect immediately.

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ASSEMBLY, No. 1502  
STATE OF NEW JERSEY

INTRODUCED MAY 24, 1982

By Assemblyman DOYLE

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30 time prescribe by resolution adopted by at least a majority of  
31 all the members of the board and duly recorded on the minutes and  
32 to pledge, assign or transfer mortgages, owned by the association  
33 and the obligations secured by such mortgages, together with the  
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36 so borrowed. No association shall borrow money if by doing so  
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38 to the Federal Home Loan Bank will exceed 20% of its capital,  
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42 1 month on any loan; and accept advance payments of interest,  
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78 the interests of the association and its members, subject to such  
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80 (16) Upon application to and approval by the commissioner, to  
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82 Self-Employed Individuals Tax Retirement Act of 1962, as amended  
83 and supplemented, and the Employee Retirement Income Security  
84 Act of 1974 as amended and supplemented, and as custodian, trustee  
85 or manager of any such investment fund the authorized invest-  
86 ments of which include, but need not be limited to, savings accounts  
87 or real estate loans, and the beneficial interests in which may be  
88 represented by transferable shares or certificates. Associations  
89 exercising the powers authorized by this subsection shall segregate  
90 all funds held in such fiduciary capacities from the general assets  
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100 todial, trust or other plan does not prohibit such investment. In  
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102 shall take into consideration the investment policies, amount, type  
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107 from its members accounts to be repaid upon such terms, not in-  
108 consistent with this act, as are approved by the Commissioner of  
109 Banking, by regulation or otherwise, provided that no account shall

110 exceed the limitations established by section 78 of P. L. 1963, c. 144  
111 (C. 17:12B-78), and provided further that no account shall be  
112 accepted or issued in the name of any corporation, association or  
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114 or business. An association issuing such accounts may honor  
115 demands for withdrawal of such accounts in the form of negotiable  
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117 and may become a member of a clearing facility and satisfy rea-  
118 sonable conditions required for its qualification and pay reasonable  
119 expenses therefor. Such accounts may be either interest-bearing  
120 or noninterest-bearing; provided, however, that the payment of  
121 interest on such accounts be permitted by federal law. An associa-  
122 tion accepting accounts pursuant to this subsection shall, at all  
123 times, maintain reserves against such accounts as shall be pre-  
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125 with the "Administrative Procedure Act," P. L. 1968, c. 410  
126 (C. 52:14B-1 et seq.) but such reserves shall be equal in nature  
127 and amount to those required of savings banks in this State against  
128 similar accounts. Such reserves shall be maintained in cash or  
129 deposits in one or more reserve depositories as authorized by the  
130 Commissioner of Banking. Regulations of the commissioner may  
131 also provide that associations issuing such type of accounts main-  
132 tain a general reserve account, federal insurance reserve account  
133 and undivided profits of specified minimum amounts and provide  
134 for minimum standards of office facilities in connection therewith.  
135 An insured association may impose a reasonable service charge for  
136 providing and maintaining such accounts for the benefits of its  
137 members.

138 (18) Issue credit cards, extend credit in connection therewith,  
139 and otherwise engage in or participate in credit card operations  
140 subject to such regulations as the commissioner may prescribe.  
141 Any such regulations shall be insubstantial conformity with similar  
142 rules and regulations of the Federal Home Loan Bank Board.

143 (19) (a) Apply to the commissioner for permission to act as  
144 trustee, executor, administrator, guardian, or in any other fiduciary  
145 capacity in which federal savings and loan associations doing  
146 business in this State, are permitted to act. Associations exercising  
147 any or all of the powers enumerated in this section shall segregate  
148 all assets held in any fiduciary capacity from the general assets  
149 of the association and shall keep a separate set of books and  
150 records showing in proper detail all transactions engaged in under  
151 authority of this section. No association shall receive in its trust  
152 department deposits of current funds subject to check or the deposit

153 of checks, drafts, bills of exchange, or other items for collection  
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155 association awaiting investment shall be carried in a separate  
156 account and shall not be used by the association in the conduct of  
157 its business unless it shall first set aside in the trust department  
158 United States bonds or other securities approved by the commis-  
159 sioner. In the event of the failure of such association, the owners  
160 of the funds held in trust for investment shall have a lien on the  
161 bonds or other securities so set apart in addition to their claim  
162 against the estate of the association. Whenever the laws of this  
163 State require corporations acting in a fiduciary capacity to deposit  
164 securities with the State authorities for the protection of private or  
165 court trusts, associations so acting shall be required to make similar  
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168 tions in such cases shall not be required to execute the bond usually  
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170 circumstances are exempt from this requirement. Associations  
171 shall have power to execute such bond when so required by the laws  
172 of New Jersey. In any case in which the laws of this State require  
173 that a corporation acting as trustee, executor, administrator, or  
174 in any capacity specified in this section, shall take an oath or make  
175 an affidavit, any officer, as defined in section 65 of P. L. 1963, c. 144  
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177 execute the necessary affidavit. It shall be unlawful for any associa-  
178 tion to lend any officer, director, or employee any funds held in  
179 trust under the powers conferred by this section. Any officer,  
180 director, or employee making such loan, or to whom such loan is  
181 made, may be fined not more than \$5,000.00, or imprisoned not more  
182 than 5 years, or may be both fined and imprisoned, in the discretion  
183 of the court. In passing upon applications for permission to exer-  
184 cise the powers enumerated in this section, the commissioner may  
185 take into consideration the amount of capital and surplus of the  
186 applying association, whether or not such capital and surplus is  
187 sufficient under the circumstances of the case, the needs of the com-  
188 munity to be served, and any other facts and circumstances that  
189 seem to him proper, and may grant or refuse the application  
190 accordingly, except that approval shall not be granted to any as-  
191 sociation having a capital and surplus less than the capital and  
192 surplus required by New Jersey law of State banks, trust com-  
193 panies, and corporations exercising such powers.

194 (b) Any association desiring to surrender its right to exercise  
195 the powers granted under this section, in order to relieve itself of

196 the necessity of complying with the requirements of this section,  
197 or to have returned to it any securities which it may have deposited  
198 with the State authorities for the protection of private or court  
199 trusts, or for any other purpose, may file with the commissioner a  
200 certified copy of a resolution of its board of directors signifying  
201 such desire. Upon receipt of such resolution, the commissioner,  
202 after satisfying himself that such association has been relieved in  
203 accordance with State law of all duties as trustee, executor,  
204 administrator, guardian or other fiduciary, under court, private or  
205 other appointments previously accepted under authority of this  
206 section, may in its discretion, issue to such association a certificate  
207 certifying that such association is no longer authorized to exercise  
208 the powers granted by this section. Upon the issuance of such a  
209 certificate by the commissioner, such association (i) shall no longer  
210 be subject to the provisions of this section or the regulations of the  
211 commissioner made pursuant thereto, (ii) shall be entitled to have  
212 returned to it any securities which it may have deposited with the  
213 State authorities for the protection of private or court trusts, and  
214 (iii) shall not exercise thereafter any of the powers granted by  
215 this section without first applying for and obtaining approval to  
216 exercise such powers pursuant to the provisions of this section.

217 (c) The commissioner is authorized and empowered to promul-  
218 gate such regulations as he may deem necessary to enforce com-  
219 pliance with the provisions of this section and the proper exercise  
220 of the trust powers granted by this section. Any such regulations  
221 shall be in substantial conformity with similar rules and regula-  
222 tions of the Federal Home Loan Bank Board.

223 (20) In accordance with rules and regulations promulgated by  
224 the commissioner, issue and sell directly to subscribers or through  
225 underwriters mutual capital certificates. Such certificates shall  
226 constitute part of the general reserve and net worth of the issuing  
227 association. Such certificates—

228 (a) Shall be subordinate to all savings accounts, savings certifi-  
229 cates, and debt obligations;

230 (b) Shall constitute a claim in liquidation on the general re-  
231 serves, surplus, and undivided profits of the association remaining  
232 after the payment in full of all savings accounts, savings certifi-  
233 cates, and debt obligations;

234 (c) Shall be entitled to the payment of dividends; and

235 (d) May have a fixed or variable dividend rate.

236 The commissioner is authorized and empowered to promulgate  
237 such regulations as he may deem necessary with respect to the  
238 powers granted by this section. Any such regulations shall be in

239 substantial conformity with similar rules and regulations of the  
240 Federal Home Loan Bank Board. The commissioner shall provide  
241 in his regulations for charging losses to the mutual capital certifi-  
242 cates, reserves, and other net worth accounts.

243 (21) If authorized by regulation of the commissioner, exercise  
244 any power, right, benefit, or privilege permitted to federal associa-  
245 tions, [provided that such power, right, benefit or privilege is not  
246 contrary to law] *unless otherwise specifically provided by any law*  
247 *enacted on or after the effective date of this amendatory act.* Such  
248 regulation shall be in substantial conformity with similar rules and  
249 regulations of the Federal Home Loan Bank Board.

1 2. This act shall take effect immediately.

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#### STATEMENT

In March of 1981, legislation was enacted by the New Jersey Legislature, granting parity of powers between national banks and State chartered banks; and federally chartered savings and loan associations. This would grant the same flexibility of application of expanded federal powers to savings and loan associations, as is extended to banks and savings banks as in Assembly Bill No. 583.

*A1502 (1982)*

SENATE LABOR, INDUSTRY AND PROFESSIONS  
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1502

STATE OF NEW JERSEY

DATED: JUNE 21, 1982

This bill amends the provision which grants to State chartered savings and loan associations a limited parity of powers with federally chartered savings and loan associations and provides that the Commissioner of Banking can by regulation permit State chartered savings and loan associations to exercise those powers which federally chartered savings and loan associations exercise, even if these powers are contrary or expressly forbidden by present State law.



OFFICE OF THE GOVERNOR

RELEASE: IMMEDIATELY

CONTACT: KATHERINE BROKAW

MONDAY, JANUARY 17, 1983

Governor Thomas H. Kean has signed the following bills:

A-176, sponsored by Assemblyman John A. Rocco (R-Camden), allows the State to grant scholarships to independent colleges in New Jersey to children and surviving spouses of policemen, firemen, rescue workers and other officers. Currently, children of those workers may attend State colleges at no charge. This law provides that the State can help such students with tuition fees at private colleges in the State; the scholarships would not amount to more than the highest tuition charged at the State colleges.

A-1502, sponsored by Assembly Majority Leader John P. Doyle (D-Ocean), grants to State-chartered savings and loan associations the same powers which federal savings and loan associations now have. The bill gives the State Commissioner of Banking the discretion to change the State charters as the federal charters change, without having to wait for legislative approval.

S-1239, sponsored by Senator Laurence S. Weiss (D-Middlesex), exempts certain condominiums and row houses from inspection under the Hotel and Multiple Dwelling Law.

S-1617, sponsored by Senate President Carmen Orechio (D-Essex), allows cigarette distributors to substitute a letter of credit for a bond to defer payment for revenue stamps.

A-2038, sponsored by Assemblywoman Mildred Garvin (D-Essex), completes a bond authorization procedure for the Newark school district.

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