

SENATE, No. 833

STATE OF NEW JERSEY 218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:

Senator NICHOLAS P. SCUTARI

District 22 (Middlesex, Somerset and Union)

SYNOPSIS

Modifies certain fees charged by check casher licensees.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT concerning licensed check cashers and amending P.L.1993,
2 c.383.

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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 14 of P.L.1993, c.383 (C.17:15A-43) is amended to
8 read as follows:

9 14. No licensee shall charge a fee or receive any other
10 consideration, directly or indirectly, which is greater than the
11 amount permitted pursuant to this section, as follows:

12 a. For cashing a check drawn on a depository institution or
13 other financial entity located in this or any other State, two percent
14 of the face amount of the check, or \$.90, whichever is greater;

15 b. For cashing a check payable to a recipient of Temporary
16 Assistance for Needy Families (TANF), one percent of the face
17 amount of the check, or \$.90, whichever is greater;

18 c. For cashing a check payable to a recipient of supplemental
19 security income pursuant to Subchapter XVI of the Social Security
20 Act, 42 U.S.C. s.1381 et seq., one and one half percent of the face
21 amount of the check, or \$.90, whichever is greater;

22 d. For cashing a check payable to a recipient of old-age and
23 survivors benefit payments pursuant to Subchapter II of the Social
24 Security Act, 42 U.S.C. s.401 et seq., one and one half percent of
25 the face amount of the check, or \$.90, whichever is greater;

26 e. On or after the 365th day from the effective date of this act,
27 subsequent increases to the fees which may be charged pursuant to
28 subsection a. of this section by a licensee for cashing a check, draft
29 or money order shall be set by the commissioner by regulation;

30 f. In setting the fees pursuant to subsection e. of this section,
31 the commissioner shall consider, but not be limited to, the
32 following:

33 (1) rates charged in the past;

34 (2) the income, cost and expense of the operation of licensees;

35 (3) rates charged by licensed check cashers or other similar
36 entities located in other states for the same or similar services and
37 the factors upon which those rates are based;

38 (4) changes in the population served; and

39 (5) a reasonable profit for check cashers; and

40 g. Subject to the provisions of subsections b., c., and d. of this
41 section, for cashing a check payable to a non-natural person or a
42 check in excess of \$2,500, a licensee may charge up to three percent
43 of the face amount of the check.

44 (cf: P.L.2015, c.233, s.2)

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.

1 2. This act shall take effect immediately.

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STATEMENT

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6 This bill modifies certain fees charged by check casher licensees.
7 Specifically, the bill permits check casher licensees to charge a fee
8 of up to three percent of the face amount of the check on checks
9 that are payable to an entity, rather than a “natural person,” or on
10 checks in excess of \$2,500.