

ASSEMBLY, No. 124

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblyman JONES

1 AN ACT concerning deposit account service charges and
2 supplementing Title 17 of the Revised Statutes.

3

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

6

7 1. As used in this act:

8 "Commissioner" means the Commissioner of Banking.

9 "Customer" means a holder of a deposit account in the depository
10 institution.

11 "Depository institution" means a State or federally chartered bank,
12 savings bank, savings and loan association or credit union.

13 "Service charge" means any fee or charge related to a deposit
14 account in a depository institution, including, but not limited to:
15 periodic maintenance fees; processing of checks drawn against
16 insufficient funds; record searches; checks drawn; deposits and
17 withdrawals; inactive accounts; wire transfers; stop payment orders;
18 certifying checks; and sale of checks.

19

20 2. a. Every depository institution with an office in this State shall
21 provide a list of its service charges to a newspaper or newspapers, as
22 the case may be, whose circulation provides coverage to the
23 community or communities in which the depository institution
24 maintains an office for transactions with customers.

25 b. This list shall be provided each year in the months of January
26 and July.

27 c. The list of service charges shall include only those items which
28 are consistent with customary and prudent banking practices as set
29 forth in policy statements or regulations of the depository institution's
30 appropriate federal financial supervisory agency.

31

32 3. This act shall take effect 120 days after enactment.

1 STATEMENT

2

3 This bill would require all depository institutions with an office in
4 this State to provide information regarding services charges related to
5 deposit accounts to a newspaper or newspapers whose circulation
6 covers the community or communities in which the depository
7 institution has an office or offices. The bill requires each depository
8 institution to submit such information on a semiannual basis, once in
9 the month of January and again in the month of July. The information
10 required to be submitted to the newspapers would be no more than is
11 already consistent with customary and prudent banking practices as
12 recommended in policy statements or regulations of the depository
13 institution's appropriate federal financial supervisory agency. As costs
14 associated with having a deposit account in a depository institution
15 continue to increase year after year, the provision of this information
16 in this manner will provide consumers the ability to shop around for a
17 depository institution that provides a deposit account at the least cost
18 for that consumer's purposes.

19

20

21

22

23 Requires depository institutions to provide information on deposit
24 account service charges to newspapers.