

ASSEMBLY, No. 908

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblyman ROCCO

1 AN ACT authorizing the creation of a State-sponsored credit card and  
2 allocating fees collected therefrom to certain environmental funds.

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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. As used in this act:

8 "Affinity credit card" means a credit card bearing the name of the  
9 sponsoring entity and whose credit card account is held and managed  
10 by the credit card issuer.

11 "Credit" means the right to defer payment of debt or the right to  
12 incur debt and defer its payment.

13 "Credit card" means any instrument or device, whether known as a  
14 credit card, credit plate, or by any other name, issued by an issuer for  
15 the use of the cardholder in obtaining money, goods, services, or  
16 anything else of value on credit.

17 "Financial institution" means a State or federally chartered bank,  
18 savings bank or savings and loan association or any other entity in this  
19 State which holds and managages credit card accounts.

20 "Issuer" means the financial institution which issues a credit card or  
21 its duly authorized agent.

22 "Sponsoring entity" means an entity that contracts with a particular  
23 financial institution whereby the financial institution agrees to be an  
24 issuer of a credit card bearing the sponsoring entity's name in exchange  
25 for a fee.

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27 2. a. The Department of the Treasury is authorized to participate  
28 in an affinity credit card program for the benefit of the State. Within  
29 six months of the effective date of this act, the Treasurer shall  
30 determine which financial institutions in the State issue or are able to  
31 issue affinity credit cards and develop and submit to these financial  
32 institutions a request for proposal for a New Jersey affinity credit card  
33 program.

34 b. Based on responses by financial institutions to its request for  
35 proposal, if the Treasurer determines that it is feasible for the State to

1 be a sponsoring entity for an affinity credit card, the Treasurer is  
2 authorized to enter into a contract with a financial institution to be the  
3 issuer of the New Jersey affinity credit card and to negotiate with the  
4 financial institution the most favorable rate for the State's fee.

5 c. Upon entering into a contract with a financial institution  
6 pursuant to subsection b. of this section, the department shall notify all  
7 State agencies possessing any credit card to replace any such cards  
8 with the State-sponsored affinity credit card as soon as is reasonably  
9 practicable.

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11 3. The moneys received from any fees collected pursuant to this act  
12 shall be deposited with the State Treasurer and be subject to  
13 disbursement on order from the Commissioner of Environmental  
14 Protection for the purposes and in the proportion specified in section  
15 4 of this act.

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17 4. Of the proceeds from any fees collected pursuant to section 2 of  
18 this act: 15% shall be used by the Commissioner of Environmental  
19 Protection to carry out the purposes and provisions of "The  
20 Endangered and Nongame Species Conservation Act," P.L.1973,  
21 c.309 (C.23:2A-1 et seq.); 15% shall be used by the Commissioner of  
22 Environmental Protection to carry out the purposes and provisions of  
23 the "Endangered Plant Species List Act," P.L.1989, c.56  
24 (C.13:1B-15.151 et seq.); and the remaining amount shall be used by  
25 the Commissioner of Environmental Protection to establish a fund  
26 from which grants may be made to local environmental groups in this  
27 State.

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29 5. The State Treasurer shall adopt rules and regulations, pursuant  
30 to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1  
31 et seq.), necessary to implement the provisions of sections 2 and 3 of  
32 this act. The Commissioner of Environmental Protection shall adopt  
33 rules and regulations pursuant to the "Administrative Procedure Act,"  
34 P.L.1968, c.410 (C.52:14B-1 et seq.), necessary to implement the  
35 provisions of section 4 of this act.

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37 6. This act shall take effect immediately.

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40 STATEMENT

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42 This bill authorizes the Department of the Treasury to establish a  
43 State-sponsored credit card program. It requires the Treasurer, within  
44 six months of the effective date of the act, to determine which financial  
45 institutions could participate as an issuer of affinity credit cards and to  
46 send to them a request for proposal regarding a New Jersey affinity

1 credit card program. Based on responses to the Treasurer's request  
2 for proposal, if the Treasurer determines that it is feasible for the State  
3 to sponsor an affinity credit card, the Treasurer is authorized to enter  
4 into a contract with a financial institution to be the issuer of the State  
5 sponsored credit card and to negotiate the most favorable rate for the  
6 State's fees. The bill also requires that fees raised by the State through  
7 its participation in a State-sponsored credit card program are to be  
8 used for carrying out the provisions of "The Endangered and Nongame  
9 Species Conservation Act," the "Endangered Plant Species List Act,"  
10 and for establishing a fund in the Department of Environmental  
11 Protection from which grants may be made to local environmental  
12 groups.

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17 Authorizes creation of a State-sponsored credit card and allocates fees  
18 collected therefrom to funds for certain environmental purposes.