

SENATE, No. 308

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Senator INVERSO

1 AN ACT creating a commission to revise the laws of this State  
2 concerning certain financial institutions, prescribing its powers and  
3 duties and making an appropriation therefor.

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

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8 1. There is hereby created a Banking Law Revision Commission  
9 which shall consist of seven members, two of whom shall be appointed  
10 by the President of the Senate, two by the Speaker of the General  
11 Assembly, two by the Governor, and the Commissioner of Banking, ex  
12 officio, or the commissioner's designee. All members of the  
13 commission shall serve without compensation but shall be entitled to  
14 receive reimbursement for expenses incurred in performing their  
15 duties. In the event of a vacancy of the commission, that vacancy shall  
16 be filled in the same manner in which the original appointment was  
17 made.

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19 2. The commission shall organize as soon as convenient after the  
20 appointment of its members and shall select a chair from among its  
21 members, who shall be the approval officer for all expenditures by the  
22 commission. In the event of a vacancy in the position of chair, that  
23 vacancy shall be filled by election among the members of the  
24 commission who shall be serving following the occurrence of that  
25 vacancy. The commission may also designate from time to time a  
26 member of its staff or any other person to serve as its secretary.

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28 3. The Banking Law Revision Commission shall study and prepare  
29 for enactment by the Legislature, if the Legislature shall so determine,  
30 revisions to, or supplements for, the laws of this State related to  
31 banks, savings banks and savings and loan associations, as presently  
32 contained in Title 17 of the Revised Statutes, and if deemed advisable  
33 by the commission, as presently contained in other titles of the Revised  
34 Statutes, insofar as they relate to the organization, powers, business  
35 activities and limitations applicable to those financial institutions. The  
36 goal of the commission shall be to propose comprehensive revisions  
37 which, consistent with the interests of New Jersey consumers, allow

1 New Jersey based financial institutions to compete effectively and  
2 efficiently in the changing environment of interstate banking and  
3 branching, as well as international banking, with specific emphasis on  
4 the elimination of inconsistencies between federal and State law,  
5 coordination with the law of other jurisdictions which affects banks  
6 with branches in multiple jurisdictions, and generally to insure that  
7 New Jersey is an attractive and productive location from which banks,  
8 savings banks and savings and loan associations may conduct business.  
9 In so doing, the commission shall endeavor to modernize the banking  
10 laws of this State so as to embody principles and procedures  
11 representing the best in modern American statutory law applicable to  
12 banks, savings banks and savings and loan associations in general, to  
13 eliminate ambiguities, outmoded procedures and conflicting,  
14 overlapping and redundant provisions, and to present statutes  
15 applicable to banks, savings banks and savings and loan associations  
16 in a logical, clear and concise manner. The commission shall solicit  
17 the comments of officers, attorneys and accountants for national and  
18 State banks, savings banks and savings and loan associations located  
19 in New Jersey, international banks which may be located or  
20 contemplate locating in New Jersey, consumer groups in New Jersey  
21 and their advocates, the Department of Banking, other bank regulatory  
22 agencies, and other constituencies and persons as the commission  
23 deems appropriate.

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25 4. In the performance of its work, the commission may utilize  
26 consultants and shall be entitled to accept the assistance and services  
27 of employees of any department of the State Government, board,  
28 bureau, commission, office or agency as may be made available to it,  
29 and to employ legal, stenographic, technical and clerical assistance,  
30 and incur such traveling, printing, and other miscellaneous expenses  
31 as it may deem necessary in order to perform its duties and to  
32 disseminate its reports and proposals among those interested in the  
33 State, provided that the aggregate of all expenditures for those  
34 purposes shall be within the limits of the funds appropriated or  
35 otherwise made available to it therefor.

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37 5. The commission shall prepare and submit to the Legislature and  
38 to the Governor one or more reports, setting forth the text of any  
39 proposed revisions, in the form of legislative bills and statements of  
40 the basic policy determinations involved therein, and the principal  
41 changes in existing law, which the proposed revisions will accomplish,  
42 as soon as may be feasible, but not later than September 30, 1997.

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44 6. There is appropriated to the commission from the General Fund  
45 the sum of \$25,000 to carry out the purposes of this act.

1       7. This act shall take effect immediately.

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6       Creates a Banking Law Revision Commission, appropriates

7       \$25,000.