

SENATE STATE MANAGEMENT, INVESTMENT AND  
FINANCIAL INSTITUTIONS COMMITTEE

STATEMENT TO

**SENATE, No. 806**

with committee amendments

**STATE OF NEW JERSEY**

DATED: JUNE 6, 1996

The Senate State Management, Investment and Financial Institutions Committee reports favorably, and with committee amendments, Senate Bill No. 806.

This bill, as amended, requires the Department of Banking, in consultation with the Division of Consumer Affairs in the Department of Law and Public Safety, to conduct a review of the competitive advantages and disadvantages of applying disclosure requirements and fee restrictions differently to State and federally chartered depository institutions and of the disclosures provided to customers and the fees depository institutions charge customers for the following consumer banking services: phone and electronic access to information concerning personal checking and savings accounts; and transactions using an ATM (automated teller machine) card. The bill requires the Department of Banking, upon completion of its review to report its findings to the Legislature, including any recommendations for legislation.

The committee's amendments to the bill make the Department of Banking the primary authority in conducting the review required under the bill; require the department to include in its review a consideration of the competitive advantages and disadvantages of applying disclosure requirements and fee restrictions differently to State and federally chartered depository institutions with respect to ATM use by customers; require the department to include the sufficiency of disclosures being provided customers in its review of the ATM charges; require the department to report its findings, including any recommendations for legislation, to the Legislature instead of promulgating regulations based on those findings; and delete the section which would have made it an unlawful practice to charge unreasonable and excessive fees in order for a customer to obtain access to information about the customer's personal checking or savings account or for transactions involving the use of an automated teller machine, which section depended upon regulations being promulgated after the review.