

BANKING

50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY 52. ECONOMIC REGULATION

| Year Ending June 30, 1989 | | | | | Year Ending June 30, 1991 | | | |
|---------------------------|----------------------|-----------------------------|-----------------|----------|---|-----------------------|---------------------|-------------|
| Orig. & Supplemental (S) | Reapp. & (R) Recpts. | Transfers & (E) Emergencies | Total Available | Expended | Prog. Class. | 1990 Adjusted Approp. | Kean Admin. Request | Recommended |
| — | 827 ^R | -350 | 477 | — | | | | |
| — | 799 ^R | -82 | 717 | — | | | | |
| — | 414 ^R | -32 | 382 | — | | | | |
| — | 5,000 | — | 5,000 | 281 | | | | |
| 10 | — | -10 | — | — | | | | |
| 10 | 7,040 | -474 | 6,576 | 281 | | 10 | 10 | 10 |
| 72 | 190 | -30 | 232 | 182 | | 66 | 92 | 92 |
| | | | | | Special Purpose: | | | |
| | | | | | Control-Regulation of Banking Industry | | | |
| | | | | | 01 | — | — | — |
| | | | | | Control-Regulation of Savings and Loan Associations | | | |
| | | | | | 02 | — | — | — |
| | | | | | Control-Consumer Complaints, Legal and Economic Research | | | |
| | | | | | 03 | — | — | — |
| | | | | | Pinelands Development Credit Bank | | | |
| | | | | | 05 | — | — | — |
| | | | | | Affirmative Action and Equal Employment Opportunity Program | | | |
| | | | | | 99 | 10 | 10 | 10 |
| | | | | | <i>Total Special Purpose</i> | | | |
| | | | | | | 10 | 10 | 10 |
| | | | | | Additions, Improvements and Equipment | | | |
| | | | | | | 66 | 92 | 92 |

Notes: (a) The 1990 appropriation has been adjusted for the allocation of the salary program and for \$2.1 million of appropriated receipts.

LANGUAGE PROVISIONS

It is recommended that receipts in excess of the amount anticipated from examination and licensing fees and bank assessments are appropriated, subject to the approval of the Director of the Division of Budget and Accounting. It is further recommended that the unexpended balance as of June 30, 1990 in the Pinelands Development Credit Bank account is appropriated for the same purpose.

| | | | | | | | | |
|-------|-------|-----|--------|-------|--|-------|-------|-------|
| 5,919 | 7,230 | 156 | 13,305 | 6,695 | Total Appropriation, Department of Banking | 6,916 | 6,667 | 6,081 |
|-------|-------|-----|--------|-------|--|-------|-------|-------|

50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY
52. ECONOMIC REGULATION

| | Actual FY 1988 | Actual FY 1989 | Revised FY 1990 | Budget Estimate FY 1991 |
|---|-------------------|-------------------|--------------------|-------------------------------|
| Consumer Complaints, Legal and Economic Research | | | | |
| Consumer Complaints | | | | |
| Received | 4,785 | 4,407 | 4,800 | 5,200 |
| Completed | 4,160 | 4,360 | 4,700 | 4,400 |
| Inquiries and Referrals | 21,000 | 19,523 | 20,120 | 21,000 |
| Management and Administrative Services | | | | |
| New Jersey Cemetery Board | | | | |
| Cemetery Companies Certified | 362 | 364 | 364 | 366 |
| PERSONNEL DATA | | | | |
| Affirmative Action Data | | | | |
| Male Minority | 6 | 6 | 10 | 10 |
| Male Minority % | 4.2 | 4.0 | 7.0 | 7.0 |
| Female Minority | 12 | 14 | 20 | 20 |
| Female Minority % | 8.3 | 10.0 | 13.0 | 13.0 |
| Total Minority | 18 | 20 | 30 | 30 |
| Total Minority % | 12.5 | 14.0 | 20.0 | 20.0 |
| Position Data | | | | |
| Budgeted Positions | 153 | 163 | 163 | 163 |
| Regulation of Banking Industry | 68 | 73 | 73 | 73 |
| Regulation of Savings and Loan Associations | 38 | 43 | 43 | 43 |
| Consumer Complaints, Legal and Economic Research | 24 | 24 | 24 | 24 |
| Management and Administrative Services | 23 | 23 | 23 | 23 |
| Positions Budgeted in Lump Sum Appropriation | 10 | — | — | — |
| Total Positions | 163 | 163 | 163 | 163 |

APPROPRIATIONS DATA
(thousands of dollars)

| Year Ending June 30, 1989 | | | | | Year Ending June 30, 1991 | | | |
|--------------------------------|-------------------------|--------------------------------|-----------------|--------------|---------------------------|----------------------------|---------------------|--------------|
| Orig. & (S) Supplemental | Reapp. & (R) Recpts. | Transfers & (E) Emergencies | Total Available | Expended | Prog. Class. | 1990 Adjusted Approp. | Kean Admin. Request | Recommended |
| Distribution by Program | | | | | | | | |
| 2,730 | 876 | -189 | 3,417 | 2,894 | 01 | 3,071 | 3,164 | 2,986 |
| 1,580 | 819 | -56 | 2,343 | 1,496 | 02 | 2,036 | 1,975 | 1,605 |
| 752 | 426 | 81 | 1,259 | 829 | 03 | 1,097 | 878 | 867 |
| — | 5,000 | — | 5,000 | 281 | 05 | — | — | — |
| 857 | 109 | 320 | 1,286 | 1,195 | 99 | 712 | 650 | 623 |
| 5,919 | 7,230 | 156 | 13,305 | 6,695 | | 6,916 | 6,667 | 6,081 |
| Distribution by Object | | | | | | | | |
| Personal Services: | | | | | | | | |
| 5,089 | — | 438 | 5,527 | 5,323 | | 6,235 | 5,477 | 5,412 |
| — | — | — | — | — | | — | 312 | — |
| 5,089 | — | 438 | 5,527 | 5,323 | | 6,235^(a) | 5,789 | 5,412 |
| 73 | — | 35 | 108 | 102 | | 63 | 65 | 46 |
| 649 | — | 165 | 814 | 760 | | 519 | 684 | 510 |
| 26 | — | 22 | 48 | 47 | | 23 | 27 | 11 |

BANKING

50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY

52. ECONOMIC REGULATION

OBJECTIVES

1. To protect the public from financial loss resulting from the failure of financial and consumer credit institutions.
2. To assure the public of fair and equitable treatment by financial institutions.
3. To inform and educate the public concerning financial matters.
4. To protect the public through the licensure and regulation of cemetery companies and their sales persons.

PROGRAM CLASSIFICATIONS

01. **Regulation of Banking Industry.** Charters commercial and savings banks to operate in New Jersey. Responsible for the supervision and examination of these institutions including the regulation, supervision and examination of consumer credit associations such as check cashers, check sellers, insurance premium finance companies, credit unions, pawnbrokers, secondary mortgage loan companies and foreign money remitters for financial soundness and compliance with statutes and regulations. Responsible for the examination of bank holding companies (C17:9A-1 et seq.).
02. **Regulation of Savings and Loan Associations.** Charters savings and loan associations to operate in New Jersey. Responsible for the examination and regulation of both insured and uninsured savings and loan associations, and has legal authority for determination of financial condition and degree of compliance with applicable statutes and regula-

tions. Regulates, supervises and examines mortgage bankers and brokers (C17:11B-1 et seq.). Newly responsible for the regulation of savings and loan association holding companies (C17:12B-281 et seq.).

03. **Consumer Complaints, Legal and Economic Research.** Informs and educates the public as to its rights and responsibilities pertaining to financial institutions; investigates complaints against these institutions and/or licensees; initiates appropriate action to ensure compliance with existing statutes and regulations. Ensures compliance with the mortgage loan discrimination statute (C17:16F et seq.) and licenses consumer credit lenders, vendors of credit and mortgage bankers and brokers. Provides the required economic and demographic research for all financial institution branch and charter applications.
05. **Pinelands Development Credit Bank.** Empowered to purchase and sell Pinelands development credits, in accordance with a program included in the Comprehensive Management Plan for the Pinelands. Provides a mechanism to facilitate both the preservation of the resources of this area and the accommodation of regional growth influences in an orderly fashion.
99. **Management and Administrative Services.** Directs the activities of the Department and provides administrative and support services through the Fiscal and Personnel Offices. The Office of the Commissioner coordinates all regulatory and legislative initiatives in its liaison role with the Legislature, Executive Branch and the financial community; disseminates legislative and policy guidance. Supervises, regulates and licenses cemetery companies and their salespersons (C8A:1-1 et seq.).

EVALUATION DATA

PROGRAM DATA

Regulation of Banking Industry

| | Actual FY 1988 | Actual FY 1989 | Revised FY 1990 | Budget Estimate FY 1991 |
|---|-------------------|-------------------|--------------------|-------------------------------|
| State Chartered Banks | | | | |
| Banks | 89 | 93 | 97 | 105 |
| Examinations Conducted | 88 | 78 | 97 | 100 |
| Bank Holding Companies | 37 | 39 | 39 | 40 |
| Examinations Conducted | 6 | 1 | 5 | 5 |
| Consumer Credit Associations | | | | |
| Associations | 4,644 | 5,340 | 5,550 | 5,500 |
| Associations Subject to Examination | 1,028 | 1,041 | 975 | 1,000 |
| Examinations Conducted | 235 | 321 | 454 | 421 |
| Regulation of Savings and Loan Associations | | | | |
| State Chartered Savings and Loan Associations | 130 | 128 | 120 | 108 |
| Examinations Conducted | 87 | 52 | 90 | 75 |
| Mortgage Bankers and Brokers | | | | |
| Licenses issued | 1,800 | 2,227 | 2,000 | 2,000 |
| Licensees Subject to Examination | 519 | 623 | 650 | 675 |
| Examinations Conducted | 165 | 375 | 200 | 325 |

DEPARTMENT OF BANKING
Summary of Appropriations by Program
(thousands of dollars)

| Year Ending June 30, 1989 | | | | | Year Ending June 30, 1991 | | | |
|-----------------------------|-------------------------|--------------------------------|-----------------|--------------|--|-----------------------------|---------------------------|------------------|
| Orig. & (S) Supplemental | Reapp. & (R) Recpts. | Transfers & (E) Emergencies | Total Available | Expended | | 1990 Adjusted Approp. | Kean Admin. Request | Recom- mended |
| 2,730 | 876 | -189 | 3,417 | 2,894 | Economic Regulation | | | |
| 1,580 | 819 | -56 | 2,343 | 1,496 | Regulation of Banking Industry | 3,071 | 3,164 | 2,986 |
| | | | | | Regulation of Savings and Loan Associations | 2,036 | 1,975 | 1,605 |
| 752 | 426 | 81 | 1,259 | 829 | Consumer Complaints, Legal and Economic Research | 1,097 | 878 | 867 |
| — | 5,000 | — | 5,000 | 281 | Pinelands Development Credit Bank | — | — | — |
| 857 | 109 | 320 | 1,286 | 1,195 | Management and Administrative Services | 712 | 650 | 623 |
| 5,919 | 7,230 | 156 | 13,305 | 6,695 | Total Appropriation | 6,916 | 6,667 | 6,081 |