



State of New Jersey
DEPARTMENT OF BANKING AND INSURANCE
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STEVEN M. GOLDMAN
Commissioner

BULLETIN NO. 09-19

TO: ALL LICENSED LENDERS WITH CONSUMER LENDER AND/OR SALE FINANCE AUTHORITY(IES)

FROM: STEVEN M. GOLDMAN, COMMISSIONER

RE: P.L. 2009, C. 53 THE NEW JERSEY CONSUMER FINANCE LICENSING ACT

The New Jersey Consumer Finance Licensing Act (CFLA) signed by the Governor on May 4, 2009, supersedes the provisions of the New Jersey Licensed Lenders Act that pertain to non-mortgage consumer loans of \$50,000 or less. Under the CFLA, the qualifications for licensure as a consumer lender or sales finance company and the licensing terms for such licenses remain unchanged from those found in the Licensed Lenders Act. The Department has commenced issuing separate licenses to new licensees with consumer lender and/or sales finance company authority. Current licensees with either or both of those authorities who renew on July 1, 2009 will receive separate licenses that will expire on June 30, 2011. Mortgage lending related activities previously regulated under the Licensed Lenders Act will be subject to the New Jersey Residential Mortgage Lending Act ("RMLA"), also enacted on May 4, 2009, which established significant new requirements applicable to mortgage licensees. Please see [Bulletin No. 09-16](#) for more information regarding the RMLA.

The CFLA authorizes the Commissioner to issue civil penalties up to \$25,000 per violation of the Act. Under the Licensed Lenders Act, the maximum civil penalty per violation was \$5,000. The CFLA also changes the name of the Licensed Lenders Advisory Board to the Residential Mortgage and Consumer Finance Advisory Board.

The Department intends to propose new rules to implement the provisions of the CFLA. Notice(s) of its rulemaking proposals and Frequently Asked Questions will appear on the Department's website, www.state.nj.us/dobi/legsregs.htm, in the near future. A copy of this bulletin will also be posted to the website.

To access the text of the CFLA please see http://www.njleg.state.nj.us/2008/Bills/AL09/53_.HTM.

6/15/09
Date

/s/ Steven M. Goldman
Steven M. Goldman
Commissioner

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