

3:1-17.2 On site location

A bank, savings bank or savings and loan association may establish, maintain, or operate an automated teller machine or machines on the premises, or within 200 feet of the premises, or its principal office or any of its branch or auxiliary offices, without filing a notice with the Department. The 200 feet shall be measured from the portion of the property line of the office or branch closest to the automated teller machine.

Amended by R.1996 d.483, effective October 7, 1996.
See: 28 N.J.R. 2661(a), 28 N.J.R. 4417(b).

3:1-17.3 Off site location

Before establishing an automated teller machine more than 200 feet from its premises, a bank, savings bank or savings and loan association must file written notice to Commissioner containing the location of the proposed automated teller machine.

Amended by R.1996 d.483, effective October 7, 1996.
See: 28 N.J.R. 2661(a), 28 N.J.R. 4417(b).

3:1-17.4 Interstate transactions

(a) A customer having an account in a foreign financial institution may make deposits to that account from an automated teller machine located in New Jersey.

(b) A foreign bank or foreign association that accepts applications for loans through an automated teller machine, automated loan machine, computer terminal or any other electronic device located in this State shall be deemed to be transacting business as that term is used in N.J.S.A. 17:9A-316 and 17:12B-214, in violation of those statutes, except that this section shall not apply to in-person contact over a telephone, nor to drawing on a pre-existing line of credit.

Recodified from 3:1-17.5 by R.1996 d.483, effective October 7, 1996.
See: 28 N.J.R. 2661(a), 28 N.J.R. 4417(b).

Former section, "Shared ownership", repealed.
Amended by R.2001 d.112, effective April 2, 2001.
See: 33 N.J.R. 213(a), 33 N.J.R. 1087(a).

Deleted (a) and (b); recodified former (c) as new (a); inserted new (b).

3:1-17.5 (Reserved)

Recodified to 3:1-17.4 by R.1996 d.483, effective October 7, 1996.
See: 28 N.J.R. 2661(a), 38 N.J.R. 4417(b).

Section was "Interstate access".

SUBCHAPTER 18. FOREIGN BANKS AND ASSOCIATIONS; REGISTRATION OF SERVICE FACILITIES

3:1-18.1 Definitions

The following words and terms shall have the following meanings when used in this subchapter, unless the context clearly indicates otherwise:

"Back office operation" shall mean the following activities:

1. Data processing;
2. Recordkeeping;
3. Accounting;
4. Check and deposit sorting and posting;
5. Computation and posting of interest;
6. Clerical, computer, and statistical activities which are similar to the activities in paragraphs 1 through 5 above;
7. Producing and mailing correspondence and other documents;
8. Maintaining credit balances; and
9. Such other similar activities that the Commissioner approves.

"Back office operation" shall not mean:

1. Making loans;
2. Making underwriting decisions; and
3. Accepting deposits.

"Department" shall mean the New Jersey Department of Banking and Insurance.

"Foreign association" shall mean an association chartered by the Federal government or another state which has no principal or branch offices in this State.

"Foreign bank" shall have the meaning which that term has in N.J.S.A. 17:9A-1.

"Foreign financial institution" shall include a foreign bank and a foreign association.

Amended by R.1996 d.483, effective October 7, 1996.

See: 28 N.J.R. 2661(a), 28 N.J.R. 4417(b).

Amended by R.2001 d.112, effective April 2, 2001.

See: 32 N.J.R. 213(a), 33 N.J.R. 1087(a).

Amended "Back office operation"; added "Department".

3:1-18.2 Registration requirement

Prior to engaging in back office operations in this State, a foreign financial institution shall register a service facility with the Department.

Amended by R.1996 d.483, effective October 7, 1996.

See: 28 N.J.R. 2661(a), 28 N.J.R. 4417(b).

3:1-18.3 Registration process

(a) A foreign financial institution may request to register a service facility by submitting to the Department the following items:

1. A letter requesting registration of a service facility to conduct back office operations, which letter shall include the name of the foreign financial institution and the address of its principal United States office, the address of the proposed service facility, and the name and address of the foreign financial institution agent in this State for service of process; and

2. The required registration fee.

Amended by R.2001 d.112, effective April 2, 2001.

See: 33 N.J.R. 213(a), 33 N.J.R. 1087(a).

In (a), substituted "submitting" for "mailing" in the introductory paragraph.

3:1-18.4 Registration fee

(a) A foreign financial institution shall submit a registration fee of \$500.00 to the Department with its request to become registered, except if the initial registration of the service facility has occurred in the second year of the biennial period, the registration fee shall be \$250.00.

(b) After becoming registered, a foreign financial institution which intends to continue operating a service facility in this State shall submit to the Department biennially a registration renewal fee of \$500.00.

(c) The first biennial period shall end August 31, 1992.

3:1-18.5 Notification of registration or deficiency by the Department

(a) The Department shall, within 30 days of receipt of the materials specified in N.J.A.C. 3:1-18.3, notify the foreign financial institution that the service facility is registered by the Department or, in the event the request for registration is incomplete, the Department shall, within 30 days of receipt of the incomplete request, notify the foreign financial institution of the nature of the deficiency.

(b) The registration of the service facility shall not become effective until the foreign financial institution has received notification from the Department, except that, if the foreign financial institution has not received notification of registration from the Department within 30 days of the Department's receipt of all of the materials specified in N.J.A.C. 3:1-18.3, or notification of deficiency within 30 days of the Department's receipt of an incomplete request, such request for registration shall be deemed to have been granted by the Department.

(c) Nothing in this rule shall prohibit a foreign financial institution from purchasing or leasing office space in this State for use as a service facility, or from preparing such office space for use as a service facility prior to notification of registration by the Department.

(d) A foreign financial institution may register more than one service facility, but shall submit a separate request for registration, with the required fee, for each service facility

and shall receive notification of that registration prior to engaging in back office operations at that service facility.

3:1-18.6 Permitted activities at service facilities

(a) A foreign bank or foreign association may conduct only back office operations at a service facility.

(b) Back office operations conducted by foreign financial institutions in this State may be conducted only at service facilities.

3:1-18.7 Examination of service facilities

(a) A service facility shall be subject to examination by the Department to determine whether the foreign financial institution is operating the service facility in accordance with State law.

(b) The cost for the examination of a service facility shall be paid by the foreign financial institution and shall be billed at the Department's per diem rate (see: N.J.A.C. 3:1-6.6).

Amended by R.2006 d.233, effective June 19, 2006.

See: 38 N.J.R. 5(a), 38 N.J.R. 2671(a).

Deleted "for examinations of depository institutions" following "rate" in (b).

3:1-18.8 Hearing to close service facilities

The Commissioner may, upon notice and a hearing, order a foreign financial institution to close a service facility operated in violation of law. Such hearing shall be conducted in accordance with the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., and the Uniform Administrative Rules of Practice, N.J.A.C. 1:1.

SUBCHAPTER 19. NEW JERSEY CONSUMER CHECKING ACCOUNTS

3:1-19.1 Definitions

The following words and terms, as used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

"Account agreement" means the agreement governing a New Jersey Consumer Checking Account.

"ATM" means automated teller machine.

"Check" means any check as defined in N.J.S.A. 12A:3-104, share draft, negotiable order of withdrawal, or similar means of making payment or transfers to third parties, the customer, or others, which is drawn on an account in a depository institution and is payable on demand. It shall not include debits to the account for maintenance charges, fees, printing checks, pre-arranged automatic withdrawals, and other similar services.