

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

_____	)	CONSENT ORDER
Passaic Check Cashing Service, Inc.	)	
Reference No. 8301639	)	

TO: Passaic Check Cashing Service, Inc.
25 Howe Street
Passaic, NJ 07055

THIS MATTER having been opened by the Commissioner of the New Jersey Department of Banking and Insurance (“Commissioner”), upon information that Passaic Check Cashing Service, Inc. (“Respondent”), may have violated various provisions of the Check Cashers Regulatory Act of 1993, N.J.S.A. 17:15A-30 to -52 (“the Act”); and

WHEREAS, Respondent is a licensed casher of checks pursuant to the Act; and

WHEREAS, Respondent was subject to the provisions of the Act; and

WHEREAS, pursuant to N.J.S.A. 17:15A-36, each director, substantial stockholder, officer, owner, partner, manager, and employee in the check cashing business of a licensee shall submit to being fingerprinted on forms supplied by the Commissioner and shall provide written consent to the performance of background checks; and

WHEREAS, pursuant to N.J.S.A. 17:15A-49(b)(2)(d), for cashing a check payable to a recipient of old-age and survivors benefit payments pursuant to Subchapter II of the Social Security Act, 42 U.S.C. 401 to 434, no licensee shall charge a fee or receive any other consideration, directly or indirectly, which is greater than one and one half percent of the face amount of the check, or \$0.90, whichever is greater; and

WHEREAS, pursuant to N.J.S.A. 17:15A-44(f), a licensee shall conduct all check cashing business through a bank account or accounts which are used solely for that purpose, and which have been identified as such to the Department of Banking and Insurance; and

WHEREAS, pursuant to N.J.S.A. 17:15A-44(l)(1), a licensee shall maintain on its premises, a record keeping system by which a licensee may track, and provide for inspection at the request of the Commissioner, checks which the licensee cashed and which were made payable to a payee other than a natural person and checks which the licensee cashed in the amount of \$2,500.00 or more; and

WHEREAS, pursuant to N.J.S.A. 17:15A-49(2)(c), the Commissioner may issue an order to any licensee who violates any provisions of this Act or regulation promulgated thereunder, ordering payment of the penalties provided in this Act and corrective action concerning violations; and

WHEREAS, pursuant to N.J.S.A. 17:15A-49(b)(2), any person who violates or causes to be violated any provision of this Act or any order, rule or regulation made or issued pursuant to this Act shall be liable for a penalty, in addition to all other penalties or forfeitures imposed by this or any other law, of not more than \$5,000 for each violation; and

WHEREAS, pursuant to N.J.S.A. 17:15A-47(a), no licensee shall cash a check which is made payable to a payee which is other than a natural person unless the licensee has on file a corporate resolution or other appropriate documentation indicating that the corporation, partnership or other entity has authorized the presentment of a check on its behalf and the federal taxpayer identification number of the corporation, partnership or other entity; and

WHEREAS, pursuant to N.J.A.C. 3:24-5.6(a)(1)(v), a licensee shall maintain the check cashing register tape of all activity (including, but not limited to, checks cashed and money order activity); and

WHEREAS, pursuant to N.J.A.C. 3:24-5.7(a)(1), no licensee or person acting on behalf of a licensee shall cash a check made payable to “cash”; and

WHEREAS, Respondent was first licensed with the Department as a licensed cashier of checks on July 20, 1983; and

WHEREAS, pursuant to the result of an examination for the period of January 1, 2017 to April 22, 2019, Respondent was found to have violated the following provisions of the Act and its implementing rules, some of which were repeat violations from a previous examination: and

- (1) Respondent failed to have all its staff’s fingerprints on file, in violation of N.J.S.A. 17:15A-36; and
- (2) Respondent charged a customer a fee in excess of the amount allowed per the Act, in violation of N.J.S.A. 15:15A-43(d); and
- (3) Respondent failed to disclose to the New Jersey Department of Banking and Insurance a bank account it utilized to conduct its check cashing business, in violation of N.J.S.A. 17:15A-44(f); and
- (4) Respondent failed to consistently record the federal taxpayer identification of payees on checks cashed over \$2,500, in violation of N.J.S.A. 17:15A-44(l)(1); and
- (5) Respondent cashed a check for a business for which it did not have a corresponding corporate resolution on file, in violation of N.J.S.A. 17:15A-47(a); and
- (6) Respondent failed to provide check cashing register tapes of all activity involving an account in which funds were commingled, in violation of N.J.A.C. 3:24-5.6(a)(1)(v); and
- (7) Respondent cashed checks made payable to “cash,” in violation of N.J.A.C. 3:24-5.7(a)(1); and

WHEREAS, Respondent admits and agrees to take responsibility for the aforementioned violations of the Act and its implementing rules; and

WHEREAS, Respondent has waived its right to a hearing on this matter and consents to payment of a penalty in the amount of \$35,000.00; and

WHEREAS, this matter should be resolved, upon the consent of all parties without resort to a formal hearing; and

WHEREAS, good cause exists to impose a civil penalty in this matter; and

NOW, THEREFORE, IT IS on this 8th day of February 2023,

ORDERED AND AGREED that simultaneously with execution of this Consent Order by Respondent, it shall pay a civil penalty in the amount of \$35,000.00 for the violations admitted to herein by certified check, official bank check, or money order made payable to the "Treasurer, State of New Jersey," which shall be sent to:

**Department of Banking and Insurance
Collections Bureau
P.O. Box 325
Trenton, New Jersey 08625
Attention: Rose McGill**

IT IS FURTHER ORDERED AND AGREED that the provisions of this Consent Order represent a final agency decision and constitute final resolution of the violations contained herein; and

IT IS FURTHER ORDERED AND AGREED that Respondent shall cease and desist from engaging in the conduct that gave rise to this Consent Order, and from any other violations of the Act.



Marlene Caride
Commissioner