

PUBLIC NOTICE

BANKING AND INSURANCE

DIVISION OF BANKING

OFFICE OF CONSUMER FINANCE

Notice of Action on Petition for Rulemaking

Requested Reduction in Surety Bond Requirements for Residential Mortgage Brokers

Petitioner: Wayne M. Watkinson, Esq.

Authority: N.J.S.A. 52:14B-4(f); and N.J.A.C. 1:30-4.2 and 3:3-4.3.

Take notice that on June 3, 2014, the Department of Banking and Insurance (Department) received a petition for rulemaking from the above petitioner. On July 21, 2014, a notice of receipt of the petition was published in the New Jersey Register at 46 N.J.R. 1719(a). The petitioner requested the Department to decrease the required bond amount specified in N.J.A.C. 3:15-3.1 for mortgage brokers licensed by the Department pursuant to the New Jersey Residential Mortgage Lending Act, P.L. 2009, c. 53, codified at N.J.S.A. 17:11C-1 et seq. The minimum surety bond amount for residential mortgage lenders and brokers is currently set by N.J.A.C. 3:15-3.1 at \$150,000. For companies with closed loan volumes exceeding \$50,000,000 on an annual basis, the amount of the required bond increases to a maximum amount of \$300,000. The petitioner requested that the Department reduce the required surety bond amount for licensed mortgage brokers to \$50,000.

Take further notice that the Department has considered this petition and is continuing to review the merits of the petitioner's suggested amendments. Therefore, pursuant to N.J.A.C.

1:30-4.2 and N.J.A.C. 3:3-4.3, the Department has determined to refer this matter for further deliberation.

In accordance with N.J.A.C. 1:30-4.2 and 3:3-4.3, upon completing those deliberations, the Department shall mail to the petitioner and file with the Office of Administrative Law a notice of action on the petitioner's request.

A copy of this public notice has been mailed to the petitioner.