

ASSEMBLY, No. 4076

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED MAY 7, 2020

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Requires certain financial institutions to provide schedule of fees, charges, and penalties for deposit accounts.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning deposit account fee schedules and
2 supplementing Title 17 of the Revised Statutes.

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4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

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7 1. As used in this act:

8 “Account” means a checking account, savings account,
9 investment account, or other deposit account.

10 “Commissioner” means the Commissioner of Banking and
11 Insurance.

12 “Financial institution” means a State chartered bank, savings
13 bank, savings and loan association, or credit union, which accepts
14 deposits of funds.

15
16 2. a. A financial institution shall maintain a written schedule
17 of fees, charges, and penalties, applicable to each type of account
18 offered by the institution. The schedule shall contain the following
19 information:

20 (1) a description of all fees, charges, and penalties which may
21 be charged or assessed against an account or an account holder in
22 connection with the account;

23 (2) the amount of the fees, charges, or penalties, or the method
24 by which the amount will be calculated;

25 (3) a description of the conditions under which fees, charges, or
26 penalties will be charged or assessed; and

27 (4) the minimum balance requirements that affect fees, charges,
28 and penalties, and a description of how minimum balances will be
29 calculated.

30 b. A financial institution shall provide the schedule required
31 pursuant to subsection a. of this section to:

32 (1) any person upon request;

33 (2) a potential customer before an account is opened or a service
34 is rendered; and

35 (3) a depositor at any other times or under any other
36 circumstances that the commissioner deems appropriate.

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38 3. A financial institution which violates the provisions of this
39 act shall be subject to a civil penalty of not more than \$500 for each
40 violation. The commissioner shall collect the penalty in a summary
41 manner pursuant to the “Penalty Enforcement Law of 1999,”
42 P.L.1999, c.274 (C.2A:58-10 et seq.).

43
44 4. The commissioner shall adopt, pursuant to the
45 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-
46 1 et seq.), rules and regulations necessary to effectuate the purposes
47 of this act.

1 5. This act shall take effect on the 90th day next following
2 enactment.

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STATEMENT

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7 This bill requires a State-chartered financial institution to
8 maintain a written schedule of fees, charges, and penalties,
9 applicable to each type of account offered by the institution. It is the
10 sponsor's intent to provide a higher level of transparency for
11 consumers with respect to fees associated with deposit accounts so
12 that meaningful comparisons can be more easily made.

13 The schedule shall contain the following information:

14 (1) a description of all fees, charges, and penalties which may
15 be charged or assessed against an account or against an account
16 holder in connection with the account;

17 (2) the amount of the fees, charges, or penalties, or the method
18 by which the amount will be calculated;

19 (3) a description of the conditions under which fees, charges, or
20 penalties will be charged or assessed; and

21 (4) the minimum balance requirements that affect fees, charges,
22 and penalties, and a description of how minimum balances will be
23 calculated.

24 The bill requires the financial institution to provide the schedule
25 to:

26 (1) any person upon request;

27 (2) a potential customer before an account is opened or a service
28 is rendered; and

29 (3) a depositor at any other times or under any other
30 circumstances that the commissioner deems appropriate.

31 The bill also provides a civil penalty for each violation, to be
32 collected by the Commissioner of Banking and Insurance in a
33 summary manner pursuant to the "Penalty Enforcement Law of
34 1999." Finally, the bill requires the commissioner to adopt, pursuant
35 to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
36 1 et seq.), rules and regulations necessary to effectuate the purposes
37 of this act.