

RULE ADOPTIONS

BANKING

(a)

**DEPARTMENT OF BANKING AND INSURANCE
DIVISION OF BANKING
Notice of Readoption
Residential Mortgage Lenders; Correspondent
Mortgage Lenders; Mortgage Brokers; Qualified
Individual Licensees; Mortgage Loan Originators
Readoption: N.J.A.C. 3:15**

Authority: N.J.S.A. 17:1-8, 17:1-8.1, 17:1-15.e, 17:11C-51 et seq., and 17:11C-89.

Authorized By: Marlene Caride, Commissioner, Department of Banking and Insurance.

Effective Date: December 14, 2021.

New Expiration Date: December 14, 2028.

Take notice that pursuant to N.J.S.A. 52:14B-5.1, the rules at N.J.A.C. 3:15 were scheduled to expire on January 27, 2022. The rules implement the overall regulatory scheme for residential lending in New Jersey. The rules also put into action the New Jersey Residential Mortgage Lending Act, P.L. 2009, c. 53 (RMLA), which is codified at N.J.S.A. 17:11C-51 through 89. The RMLA was enacted in response to Federal requirements established in the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, 12 U.S.C. §§ 5101 et seq. (SAFE Act). The SAFE Act requires a nationwide registry system, the Nationwide Mortgage Licensing System and Registry (NMLS&R), for all persons licensed by the states to engage in residential mortgage lending, brokerage, and origination activity. The functions to be performed by the NMLS&R include license application and renewal processing, fee collection, verification of satisfaction of pre-licensing education, national and State license examination requirements, and continuing education.

Subchapter 1 contains definitions, office requirements, rules on license names and an alternative or trade name, and the display of license requirements, and sets out the authority of the Commissioner. Subchapter 2 governs who must be licensed, applications for licenses, education requirements, renewal of licenses, and sale or transfer of license. Subchapter 3 governs bonding requirements. Subchapter 4 provides fees associated with licensing. Subchapter 5 sets forth tangible net worth requirements for licensees. Subchapter 6 governs requirements for keeping books and records, examinations, and annual reports and delivering electronically stored books, records, accounts, and documents to the Department of Banking and Insurance (Department).

Subchapter 7 governs insurance matters for mortgage lenders. Subchapter 8 contains the requirements governing advertising. Subchapter 9 sets out fees permitted to be charged to those obtaining mortgages. Subchapter 10 sets out characteristics of both first and secondary mortgage loans. Subchapter 11 is reserved. Subchapter 12 governs administrative actions and penalties issued by the Department.

The Department has reviewed these rules and has determined that the rules should be readopted without change. The rules are necessary, reasonable, and proper for the purpose for which they were originally promulgated. Therefore, pursuant to N.J.S.A. 52:14B-5.1.c(1), these rules are readopted and shall continue in effect for a seven-year period.

(b)

**DEPARTMENT OF BANKING AND INSURANCE
DIVISION OF BANKING**

**Notice of Readoption
Credit Unions**

Readoption with Technical Changes: N.J.A.C. 3:21

Authority: N.J.S.A. 17:1-8.1 and 15.e, 17:1C-33 et seq., and 17:13-79 et seq.

Authorized By: Marlene Caride, Commissioner, Department of Banking and Insurance.

Effective Dates: November 30, 2021, Readoption;
January 18, 2022, Technical Changes.

New Expiration Date: November 30, 2028.

Take notice that pursuant to N.J.S.A. 52:14B-5.1, the rules at N.J.A.C. 3:21 were scheduled to expire on December 23, 2021, pursuant to N.J.S.A. 52:14B-5.1. Pursuant to Executive Order Nos. 127 (2020) and 244 (2021) and P.L. 2021, c. 103, any chapter of the New Jersey Administrative Code that would otherwise have expired during the Public Health Emergency originally declared in Executive Order No. 103 (2020) is extended through January 1, 2022. Therefore, this chapter has not yet expired and the 30-day filing date pursuant to N.J.S.A. 52:14B-5.1.c has not yet occurred, therefore, pursuant to Executive Order No. 244 (2021), and P.L. 2021, c. 103, this notice of readoption is timely filed.

The Department of Banking and Insurance (Department) is readopting this chapter, which governs credit unions, with technical changes.

N.J.A.C. 3:21-1 authorizes the Commissioner of Banking and Insurance (Commissioner), with the concurrence of the appropriate Regional Director of the National Credit Union Administration, to designate certain credit unions as low-income credit unions (LICUs). The subchapter contains necessary definitions, sets forth the contents of applications, and the process for approval as a low-income credit union. This designation permits them to apply to participate in certain Federal programs, for example, as "Participating Credit Unions" pursuant to 12 CFR 705. LICUs, which the Federal government selects, may participate in the Community Development Revolving Loan Program for Credit Unions. The rules authorize the loss of designation in the event a credit union no longer meets the qualifying criteria. The Department proposes to amend this subchapter to reflect the change of the name of the New Jersey Credit Union League to the CrossState Credit Union Association (this change is also made at N.J.A.C. 3:21-2.1).

N.J.A.C. 3:21-2 addresses parity of New Jersey credit unions with Federal credit unions. It grants New Jersey credit unions permission to exercise any power, right, benefit, or privilege authorized now, or in the future, for Federal credit unions pursuant to Federal law or rules and regulations of the National Credit Union Administration. It also provides guidance to a New Jersey credit union when it seeks to exercise parity. The Department is making a technical change in this subchapter to reflect the change of the name of the New Jersey Credit Union League to the CrossState Credit Union Association. A technical change is made to the subchapter heading.

N.J.A.C. 3:21-3 permits branching by a State-chartered credit union. The subchapter sets forth the purpose and scope, including definitions. It also provides details on the power to establish branches, the criteria for the Commissioner to use in making a decision to approve an out-of-State State-chartered credit union to establish a branch in New Jersey and procedures to revoke or denial authority to open a branch.

N.J.A.C. 3:21-4 addresses standards for mergers of credit unions. It provides the determinations required to be made by the Commissioner for such an approval. Such determinations are focused on being satisfied that after the merger the credit union will operate in a safe and sound manner and the management has sufficient expertise to operate the credit union.

N.J.A.C. 3:21-5 requires each credit union to provide its official email address to the Department and update it, as necessary.

The Department has reviewed these rules and has determined that the rules should be readopted with the technical changes described above. The rules are necessary, reasonable, and proper for the purpose for which they were originally promulgated. Therefore, pursuant to N.J.S.A. 52:14B-5.1.c(1), these rules are readopted and shall continue in effect for a seven-year period.

Full text of the technical changes follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 1. LOW-INCOME CREDIT UNIONS

3:21-1.4 Publication and effective date of designation

(a) Upon the Commissioner's receipt of the concurrence of the appropriate Regional Director in the designation of a credit as an LICU, the Commissioner shall, by mail, inform the applicant, the [New Jersey Credit Union League] **CrossState Credit Union Association**, and the National Credit Union Association of the designation.

(b) (No change.)

SUBCHAPTER 2. CREDIT UNION PARITY

3:21-2.1 Credit union parity with [Federally-chartered] **Federally chartered** credit unions

(a) In addition to other authority granted by law and unless contrary to State law, a credit union may exercise any power, right, benefit, or privilege that is now, or hereafter, authorized for Federal credit unions to the same extent as Federal credit unions pursuant to Federal law or rules and regulations of the National Credit Union Administration. A credit union, in exercising those powers, rights, benefits, or privileges shall do so in accordance with the terms, conditions, and requirements established for Federal credit unions. Such powers, rights, benefits, or privileges shall be automatically exercisable upon the expiration of 30 days from the date of adoption of the enabling regulation by the Federal regulatory agency, except if the Commissioner of Banking and Insurance, within that time, provides notice that the power, right, benefit, or privilege shall not be granted to New Jersey credit unions. Such notice shall be posted on the Department's website at www.njdobi.org. The pertinent information included in such a notice shall also be provided to each credit union, and to the [New Jersey Credit Union League] **CrossState Credit Union Association**. The Commissioner of Banking and Insurance may permit credit unions to begin the exercise of a power, right, benefit, or privilege prior to the expiration of the 30-day period by providing notice of permission through posting the notice on the Department's website at www.njdobi.org. The pertinent information included in such a notice shall also be provided to each credit union, and the [New Jersey Credit Union League] **CrossState Credit Union Association**.

(b) (No change.)

COMMUNITY AFFAIRS

(a)

NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY

Notice of Administrative Changes Maximum Attorney Services Fees N.J.A.C. 5:80-31.3

Effective Date: January 1, 2022.

Take notice that the New Jersey Housing and Mortgage Finance Agency (Agency), pursuant to N.J.A.C. 5:80-31.3(f), has determined the annual increase in the overall Consumer Price Index for New York-Newark-Jersey City, as published by the United States Department of Labor, Bureau of Labor Statistics as of September 30, 2021, to be 3.8 percent. Accordingly, the Agency is hereby changing, effective as of January 1, 2022, the maximum fees that can be paid from project funds for Agency-approved attorney services as set forth at N.J.A.C. 5:80-31.3(a).

Full text of the changed rule follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

CHAPTER 31. ATTORNEY SERVICES

5:80-31.3 Maximum fees

(a) The maximum fees that can be paid from project funds for Agency-approved attorney services are as follows:

1. General legal matters . . . up to [\$210.00/hour] **\$218.00/hour**;

2. Tenancy actions, as follows:

i. For each of the first two cases (requiring court appearance) on the same day . . . up to [\$166.00] **\$172.00**;

ii. For each additional case presented on the same day . . . up to [\$123.00] **\$128.00**; and

iii. For each case prepared for trial but resolved prior to actual court appearance . . . up to [\$85.00] **\$88.00**; and

3. General litigation, as follows:

i. Non-trial hours . . . up to [\$292.00/hour] **\$303.00/hour**; and

ii. Trial hours . . . up to [\$335.00/hour] **\$348.00/hour**.

(b)-(f) (No change.)

ENVIRONMENTAL PROTECTION

(b)

PINELANDS COMMISSION

Pinelands Comprehensive Management Plan Definitions; Standards for Certification of Municipal Master Plans and Land Use Ordinances; and Minimum Standards for Point and Non-Point Source Discharges

Adopted Amendments: N.J.A.C. 7:50-2.11, 3.39, and 6.84

Proposed: July 19, 2021, at 53 N.J.R. 1195(a).

Adopted: December 10, 2021, by the New Jersey Pinelands Commission, Susan R. Grogan, Acting Executive Director.

Filed: December 21, 2021, as R.2022 d.021, **with non-substantial changes** not requiring additional public notice and comment (see N.J.A.C. 1:30-6.3).

Authority: N.J.S.A. 13:18A-6.j.

Effective Date: January 18, 2022.

Expiration Date: Exempt.

The New Jersey Pinelands Commission (Commission) is adopting amendments to Subchapter 2, Interpretations and Definitions, Subchapter 3, Certification of County, Municipal, and Federal Installation Plans, and Subchapter 6, Management Programs and Minimum Standards of the Pinelands Comprehensive Management Plan (CMP). The amendments were proposed on July 19, 2021, at 53 N.J.R. 1195(a). The adopted amendments relate to stormwater management in the Pinelands Area and harmonize the CMP with the stormwater management rules adopted by the New Jersey Department of Environmental Protection in 2019 (see 50 N.J.R. 2375(a)), with modifications consistent with the goals of the CMP and in recognition of the special resources of the Pinelands that the Commission is charged with protecting.

The Pinelands Commission transmitted the notice of proposal to each Pinelands municipality and county, as well as to other interested parties, for review and comment.

Additionally, the Pinelands Commission:

- Sent notice of the public hearing to all persons and organizations that subscribe to the Commission's public hearing registry;

- Sent notice of the public hearing and provided a copy of the notice of proposal to all Pinelands counties and municipalities, a lengthy list of municipal and consulting engineers who typically represent applications or submit development applications to the Commission, and other interested parties;