

RULE ADOPTIONS

BANKING

(a)

DEPARTMENT OF BANKING AND INSURANCE

DIVISION OF BANKING

Notice of Readoption

Money Transmitters

Readoption with Technical Changes: N.J.A.C. 3:27

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

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

Effective Dates: April 6, 2023, Readoption;
May 1, 2023, Technical Changes.

New Expiration Date: April 6, 2030.

Take notice that pursuant to N.J.S.A. 52:14B-5.1, the rules at N.J.A.C. 3:27 were scheduled to expire on May 16, 2023. The rules implement the New Jersey Money Transmitters Act, N.J.S.A. 17:15C-1 et seq. (Act), enacted on May 1, 1998. The Act combined the licensing and regulation of the activities of foreign money transmission and the sale of checks pursuant to one act, which previously were separately governed by the Foreign Money Remitter Act and the Check Sellers Act. The Act also brought under its umbrella the previously unregulated activities of domestic money transmission and third-party payment service providers. The Department of Banking and Insurance (Department) readopts N.J.A.C. 3:27 with a technical change.

N.J.A.C. 3:27-1 sets forth the general provisions for the chapter, including the purpose and scope and definitions of certain terms used in the chapter.

N.J.A.C. 3:27-2 requires all persons acting as money transmitters to be licensed, that licenses be renewed biennially, and sets forth the application requirements.

N.J.A.C. 3:27-3 governs fees to be paid by applicants for licensure and the filing of an annual report to licensees.

N.J.A.C. 3:27-4 sets forth the requirement that persons seeking initial licenses as money transmitters or foreign money transmitters comply with the requirements at N.J.S.A. 17:15C-8 and obtain a security device authorized by the Commissioner. It also sets forth the amount of the security device and the necessary terms it must contain, in the amounts stated in chapter Appendix A.

N.J.A.C. 3:27-5 sets forth net worth requirements that applicants for initial licenses shall demonstrate.

N.J.A.C. 3:27-6 sets forth maintenance requirements regarding the books and records of money transmitters. At N.J.A.C. 3:27-6.1(a)13, the Federal rule citation to 31 CFR 103.11 et seq., will be changed to the current correct citation of 31 CFR Part 1022.400 to 1022.420.

N.J.A.C. 3:27-7 sets forth the requirements for applications for change of control or key personnel of a money transmitting licensee.

N.J.A.C. 3:27-8 sets forth the penalty provisions relating to the violation of the Act or N.J.A.C. 3:27.

The Department has reviewed these rules and has determined that 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), N.J.A.C. 3:27 is readopted with a technical change and shall continue in effect for a seven-year period. The readopted rules will continue to allow the Department to fulfill its regulatory duties by providing clear and comprehensive guidelines concerning money transmitters.

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

SUBCHAPTER 6. MAINTENANCE OF BOOKS, RECORDS, AND ACCOUNTS

3:27-6.1 Maintenance of books, records, and accounts

(a) Each licensee shall make, keep, and preserve in English the following books, accounts, and other records for a period of three years:

1.- 12. (No change.)

13. All records required to be maintained pursuant to 31 [C.F.R. §§ 103.11 et seq.] **CFR Part 1022.400 to 1022.420**; and

14. (No change.)

(b)-(c) (No change.)

(b)

DEPARTMENT OF BANKING AND INSURANCE

DIVISION OF BANKING

Notice of Readoption

Conversions of Associations

Readoption with Technical Changes: N.J.A.C. 3:32

Authority: N.J.S.A. 17:1-8.1, 17:1-15.e, and 17:12B-319.

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

Effective Dates: April 6, 2023, Readoption;
May 1, 2023, Technical Changes.

New Expiration Date: April 6, 2030.

Take notice that pursuant to N.J.S.A. 52:14B-5.1, the rules at N.J.A.C. 3:32 were scheduled to expire on May 16, 2023. The rules implement the Savings and Loan Act (1963), N.J.S.A. 17:12B-1 et seq., which regulates New Jersey-chartered savings and loan associations.

Subchapter 1 requires a mutual association which seeks to convert to a capital stock association to comply with certain specified conditions and procedures. A mutual association applying for conversion must adopt a resolution to that effect, approved by a two-thirds vote of its board of directors. In addition, the conversion plan must be fair and equitable to all members and include sufficient provisions to protect the interests of the depositors of the prospective capital stock association. If the Commissioner of Banking and Insurance (Commissioner) deems the preliminary application acceptable, he or she is required to issue a notice of "intent to approve," subject to the affirmative vote of a majority of eligible members and compliance with applicable law.

Subchapter 1 also sets forth parameters for members' entitlement to vote, times when special meetings may be called, the manner in which voting may take place concerning the conversion, and adoption of bylaws and the election of officers, in person, or by proxy. In addition, this subchapter defines persons eligible to purchase shares of stock, the price of stock, and designates qualifications for independent persons who will establish the prices of the stock. Subchapter 2 provides that any mutual association may apply to the Commissioner to convert to a mutual savings bank, and any capital stock association may apply to the Commissioner to convert to a capital stock savings bank. Further, it sets forth the information that must be included in such applications. This consists of the following: a certified copy of the resolution of the board of directors authorizing the conversion; a certified copy of the resolution adopted by the stockholders or members; a certificate of incorporation for the converted institution; and copies of all applications for Federal regulatory approval and all approvals required in connection with the conversion, or a statement or opinion of counsel for the association that no Federal regulatory approvals are required.

Subchapter 3 sets forth the rules pertaining to mutual state association holding companies. Such an entity is defined at N.J.A.C. 3:32-3.1 as being formed by a mutual State association pursuant to N.J.S.A. 17:12B-298 through 17:12B-318 and having its principal place of business in New

Jersey. The methods that may be followed by the board of directors of an organizing mutual State association in applying to the Commissioner to form a mutual state association holding company are set forth at N.J.A.C. 3:32-3.2.

Application requirements to organize a mutual state association holding company are detailed at N.J.A.C. 3:32-3.3. Information that must be included in the application consists of the following: a description of the proposed formation of the mutual State association holding company; a certified copy of the resolution of the board of directors of the organizing mutual State association authorizing the application by a two-thirds vote of the board; a certificate of incorporation for the mutual State association holding company containing specified information; proposed bylaws of the surviving subsidiary capital stock State association and mutual State association holding company; and copies of any applications for establishment of a mutual State association holding company filed with any Federal regulator.

Criteria for approval of the application by the Commissioner are stated at N.J.A.C. 3:32-3.4. N.J.A.C. 3:32-3.5 governs the filing of certificates of incorporation for any subsidiary capital stock state association. Provisions relating to the board of directors and officers of mutual state association holding companies are set forth at N.J.A.C. 3:32-3.6 and 3.7, respectively. N.J.A.C. 3:32-3.8 provides for the division and distribution of any surplus that is deemed by the board of directors of the mutual state association holding company or the Commissioner to be in excess of the amount required for the safe and sound operation of the holding company.

The Department of Banking and Insurance has reviewed these rules and has determined that 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), N.J.A.C. 3:32 is readopted and shall continue in effect for a seven-year period with a technical amendment. The technical amendment is made as a result of the removal of Chapter V of Title 12 of the Code of Federal Regulations, which contains regulations of the former Office of Thrift Supervision and is referenced at N.J.A.C. 3:32-1.1. The reference at N.J.A.C. 3:32-1.1 to 12 CFR 563b is removed and replaced with 12 CFR Part 303, Subpart I and 12 CFR 333.4.

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

SUBCHAPTER 1. CONVERSION OF A MUTUAL ASSOCIATION
TO A CAPITAL STOCK ASSOCIATION

3:32-1.1 Authorization for conversion

An insured mutual association may convert to a capital stock association subject to the limitations and provisions [of] at N.J.S.A. 17:12B-1 et seq., and this chapter. The association shall also be subject to the requirements at 12 [CFR 563b] **CFR Part 303, Subpart I and 12 CFR 333.4**, relating to conversions from mutual to stock form.

CHILDREN AND FAMILIES

(a)

DIVISION OF CHILD PROTECTION AND PERMANENCY

Notice of Readoption

Manual of Requirements for Adoption Agencies

Readoption: N.J.A.C. 3A:50

Authority: N.J.S.A. 9:3-37 et seq., 9:3A-7g, and 30:4C-4(b) and (h).

Authorized By: Christine Norbut Beyer, M.S.W., Commissioner.

Effective Date: March 24, 2023.

New Expiration Date: March 24, 2030.

Take notice that pursuant to N.J.S.A. 52:14B-5.1.c, Manual of Requirements for Adoption Agencies, was scheduled to expire on April 27, 2023. The Department of Children and Families has reviewed N.J.A.C. 3A:50 and has found the chapter to be necessary, reasonable, and proper for the purpose for which it was originally promulgated in 1981.

In 2017, Chapter 50, Manual of Requirements for Adoption Agencies, was recodified from N.J.A.C. 10:121A. As provided at 49 N.J.R. 98(a), technical changes were made during the recodification process, including changes to cross-references, agency names, and addresses.

A summary of each subchapter at N.J.A.C. 3A:50 follows:

Subchapter 1 sets forth the chapter's general provisions, including the chapter's legal authority, adoption types, chapter definitions, certificates of approval, and equal protection mandates.

Subchapter 2 sets forth procedures and standards for certificate of approval requests, denial and revocation of certificates, requests for review, civil proceedings against noncompliant agencies, and the exclusion of confidential information from the public licensing records requirement.

Subchapter 3 sets forth the governing board requirements for both private and public adoption agencies, the scope of authority and legal responsibilities of adoption agencies, the rights of adoptive applicants and parents to information about the adoption agency provider, and the adoption agency requirements relating to reporting, recordkeeping, facilities, and permits.

Subchapter 4 sets forth requirements for adoption agency personnel, including sections addressing employment policies, staff development, employee qualifications and duties, and staff member screening, including Criminal History Record Information (CHRI) and Child Abuse Record Information (CARI) background checks.

Subchapter 5 sets forth criteria and requirements for services provided by adoption agencies, and includes both general and recipient-specific provisions that address fee schedules, adoption placements, and home study services.

The Department of Children and Families has reviewed these rules and found them to be necessary, reasonable, and proper for the purposes for which they were originally promulgated. Therefore, in accordance with N.J.S.A. 52:14B-5.1.c(1), these rules are readopted and shall continue in effect for a seven-year period.

COMMUNITY AFFAIRS

(b)

DIVISION OF CODES AND STANDARDS

Uniform Construction Code

Adopted Amendments: N.J.A.C. 5:23-5.3, 5.4, 5.20, 5.21, and 5.22

Adopted New Rule: N.J.A.C. 5:23-5.19H

Proposed: October 3, 2022, at 54 N.J.R. 1898(a).

Adopted: March 9, 2023, by Lt. Governor Sheila Y. Oliver, Commissioner, Department of Community Affairs.

Filed: April 5, 2023, as R.2023 d.058, **with a non-substantial change** not requiring additional public notice and comment (see N.J.A.C. 1:30-6.3).

Authority: N.J.S.A. 52:27D-124.

Effective Date: May 1, 2023.

Expiration Date: February 9, 2029.

Summary of Public Comments and Agency Responses:

Comments were received from Mitchell Malec, retired former employee of the Department of Community Affairs; Ralph Venturini, Borough of Ramsey Construction Official; and Dennis Bettler, Bernards Township Construction Official.

Comments Received from Mitchell Malec, Retired Former Employee of the Department of Community Affairs

1. COMMENT: The commenter notes that the proposed amendments are to implement changes required pursuant to PL. 2009, c. 119, however, he is unable to find these provisions stating that a technical assistant is required to be appointed. In addition, the commenter questions, what notice do appointed individuals of civil service and non-civil service municipalities receive if these proposed amendments are adopted.