

DEPARTMENT OF BANKING

SUMMARY BY PROGRAM  
(amounts expressed in thousands)

-----Year Ending June 30, 1988-----					Year Ending -----June 30, 1990-----			
Orig. & (S)Supple- mental	Reapp. & (R)Rec	Transfers (E) Emer- gencies	Total Avai lable	Expended		1989 Adjusted Approp	Requested	Recom- mended
2,781	180	21	2,982	2,665	Economic Regulation			
1,441	117	27	1,585	1,309	Regulation of Banking Industry	2,879	3,025	2,856
					Regulation of Savings and Loan Associations	1,671	1,564	1,564
677	60	2	739	684	Consumer Complaints, Legal and Economic Research	792	1,088	699
---	5,000	---	5,000	---	Pinelands Development			
802	189	255	1,246	1,120	Credit Bank	---	---	---
					Management and Administrative Services	896	1,015	919
5,701	5,546	305	11,552	5,778	Total Appropriation, Department of Banking	6,238	6,692	6,038

14. DEPARTMENT OF BANKING  
50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY  
52. ECONOMIC REGULATION

**OBJECTIVES**

1. To protect the public from financial loss resulting from the failure of financial and consumer credit institutions.
2. To assure the public of fair and equitable treatment by financial institutions.
3. To inform and educate the public concerning financial matters.
4. To protect the public through the licensure and regulation of cemetery companies and their sales persons.

Program Classifications

01. Regulation of Banking Industry--Charters commercial and savings banks to operate in New Jersey. Responsible for the supervision and examination of these institutions including the regulation, supervision and examination of consumer credit associations such as check cashers, check sellers, insurance premium finance companies, credit unions, pawnbrokers, secondary mortgage loan companies and foreign money remitters for financial soundness and compliance with statutes and regulations. Responsible for the examination of bank holding companies (C17:9A-1 et seq.).
02. Regulation of Savings and Loan Associations--Charters savings and loan associations to operate in New Jersey. Responsible for the examination and regulation of both insured and uninsured savings and loan associations, and has legal authority for determination of financial condition and degree of compliance with applicable statutes and regulations. Regulates, supervises and examines mortgage bankers and brokers (C17:11B-1 et seq.). Newly responsible for the regulation of savings and loan association holding companies (C17:12B-281 et seq.).
03. Consumer Complaints, Legal and Economic Research--Informs and educates the public as to its rights and responsibilities pertaining to financial institutions; investigates complaints against these institutions and/or licensees; initiates appropriate action to ensure compliance with existing statutes and regulations. Ensures compliance with the mortgage loan discrimination statute (C17:16F et seq.) and licenses consumer credit lenders, vendors of credit and mortgage bankers and brokers. Provides the required economic and demographic research for all financial institution branch and charter applications.
05. Pinelands Development Credit Bank--Empowered to purchase and sell Pinelands development credits, in accordance with a program included in the Comprehensive Management Plan for the Pinelands. Provides a mechanism to facilitate both the preservation of the resources of this area and the accommodation of regional growth influences in an orderly fashion.
99. Management and Administrative Services--Directs the activities of the Department and provides administrative and support services through the Fiscal and Personnel Offices. The Office of the Commissioner coordinates all regulatory and legislative initiatives in its liaison role with the Legislature, Executive Branch and the financial community; disseminates legislative and policy guidance. Supervises, regulates and licenses cemetery companies and their salespersons (C8A:1-1 et seq.).

	Actual FY 1987	Actual FY 1988	Revised FY 1989	Budget Estimate FY 1990
<b>EVALUATION DATA</b>				
<b>Regulation of Banking Industry</b>				
<b>State Chartered Banks</b>				
Banks.....	79	89	97	103
Examinations Conducted.....	78	88	117	116
Bank Holding Companies.....	34	37	38	38
Examinations Conducted.....	3	6	10	15
<b>Consumer Credit Associations</b>				
Associations.....	4,900	4,644	5,100	5,100
Associations Subject to Examination.....	1,090	1,028	1,050	975
Examinations Conducted.....	277	235	300	275
<b>Regulation of Savings and Loan Associations</b>				
State Chartered Savings and Loan Associations.....	134	130	127	120
Examinations Conducted.....	90	87	90	90
<b>Mortgage Bankers and Brokers</b>				
Licenses issued.....	1,170	1,800	1,200	1,900
Licenses Subject to Examination.....	368	519	575	650
Examinations Conducted.....	60	165	100	200
<b>Consumer Complaints, Legal and Economic Research</b>				
<b>Consumer Complaints</b>				
Received.....	4,500	4,785	5,625	6,000
Completed.....	3,905	4,160	4,880	5,000
Inquiries and Referrals.....	20,550	21,000	25,600	26,000
<b>Management and Administrative Services</b>				
<b>New Jersey Cemetery Board</b>				
Cemetery Companies Certified.....	357	362	359	364
<b>AFFIRMATIVE ACTION DATA</b>				
Male Minority .....	6	6	9	12
Male Minority %.....	4.5	4.2	5.6	7.0

14. DEPARTMENT OF BANKING--Continued  
 50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY  
 52. ECONOMIC REGULATION

	Actual FY 1987	Actual FY 1988	Revised FY 1989	Budget Estimate FY 1990
Female Minority .....	8	12	21	23
Female Minority % .....	6.0	8.3	13.1	13.5
Total Minority .....	14	18	30	35
Total Minority % .....	10.5	12.5	18.8	20.5

**BUDGETED POSITIONS**

Budgeted Positions .....	153	153	163	163
Regulation of Banking Industry .....	69	68	73	73
Regulation of Savings and Loan Associations .....	39	38	43	43
Consumer Complaints, Legal and Economic Research .....	25	24	24	24
Management and Administrative Services .....	20	23	23	23
Positions Budgeted in Lump Sum Appropriation .....	---	10	---	---
Total Positions .....	153	163	163	163

**APPROPRIATION DATA (amounts expressed in thousands)**

-----Year Ending June 30, 1988-----						Year Ending -----June 30, 1990-----			
Orig. & (S)Supple- mental	Reapp. & (R)Rec	Transfers (E) Emer- gencies	Total Available	Expended	PROGRAM CLASSIFICATIONS	Ref Key	1989 Adjusted Approp	Requested	Recom- mended
2,781	180	21	2,982	2,665	Regulation of Banking Industry	01	2,879	3,025	2,856
1,441	117	27	1,585	1,309	Regulation of Savings and Loan Associations	02	1,671	1,564	1,564
677	60	2	739	684	Consumer Complaints, Legal and Economic Research	03	792	1,088	699
---	5,000	---	5,000	---	Pinelands Development Credit Bank	05	---	---	---
802	189	255	1,246	1,120	Management and Administrative Services	99	896	1,015	919
5,701	5,546	305	11,552	5,778	Total Appropriation		6,238	6,692	6,038
<u>Distribution by Object</u>									
4,938	---	262	5,200	4,742	Personal Services--				
---	---	---	---	---	Salaries and wages		5,140	5,532	5,247
---	---	---	---	---	Positions established from lump sum appropriation		268	---	---
4,938	---	262	5,200	4,742	Total Personal Services		5,408(a)	5,532	5,247
73	---	19	92	92	Materials and Supplies		73	73	73
585	---	116	701	673	Services Other Than Personal		649	608	604
26	---	1	27	26	Maintenance and Fixed Charges		26	27	27
<u>Special Purpose--</u>									
---	---	---	---	---	Special investigations	03	---	307	---
---	5,000	-5	4,995	---	Pinelands Development Credit Bank	05	---	---	---
10	---	---	10	---	Affirmative action and equal employment opportunity	99	10	10	10
---	301 R	-150	151	---	Control		---	---	---
10	5,301	-155	5,156	---	Total Special Purpose		10	317	10
69	245	62	376	245	Additions, Improvements and Equipment		72	135	77

It is recommended that receipts in excess of the amount anticipated from examination and licensing fees be appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

It is further recommended that the unexpended balance as of June 30, 1989 in the Pinelands Development Credit Bank account be appropriated for the same purpose.

(a) The 1989 appropriation has been adjusted for the allocation of the salary program.

# NOTES