

DEPARTMENT OF BANKING

SUMMARY BY PROGRAM
(amounts expressed in thousands)

-----Year Ending June 30, 1987-----						-----Year Ending June 30, 1989-----		
Orig. & (S)Supple- mental	Reapp. & (R)Rec	Transfers (E) Emer- gencies	Total Available	Expended		1988 Adjusted Approp	Requested	Recom- mended
2,642	20	4	2,666	2,575	Economic Regulation	2,935	2,865	2,865
1,281	75	4	1,360	1,251	Regulation of Banking Industry			
					Regulation of Savings and Loan Associations	1,520	1,580	1,580
669	5	55	729	704	Consumer Complaints, Legal and Economic Research	714	752	752
---	5,000	---	5,000	---	Pinelands Development	---	---	---
713	5	251	969	767	Credit Bank	---	---	---
					Management and Administrative Services	847	857	857
5,305	5,105	314	10,724	5,297	Total Appropriation, Department of Banking	6,016	6,054	6,054

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. Newly 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.).
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 at-large; disseminates legislative and policy guidance. Supervises, regulates and licenses cemetery companies and their salespersons as defined in Title 8A:1-1 et seq.

	Actual FY 1986	Actual FY 1987	Revised FY 1988	Budget Estimate FY 1989
EVALUATION DATA				
Regulation of Banking Industry				
State Chartered Banks				
Banks.....	80	79	80	83
Examinations Conducted.....	43	78(a)	81(a)	85(a)
Bank Holding Companies.....	34	34	34	35
Examinations Conducted.....	-----	3	10	12
Consumer Credit Associations				
Associations Subject to Examination.....	954	1,090	954	910
Examinations Conducted.....	192	277	389	475
Regulation of Savings and Loan Associations				
State Chartered Savings and Loan Associations.....	137	134	133	127
Examinations Conducted.....	99	90	100	90
Consumer Complaints, Legal and Economic Research				
Consumer Credit Associations.....	4,576	4,900	5,000	5,100
Consumer Complaints				
Received.....	3,190	4,500	4,820	5,625
Completed.....	3,004	3,905	4,180	4,880
Inquiries and Referrals.....	13,582	20,550	22,000	25,600
Mortgage Bankers and Brokers				
Licenses issued.....	850	1,170	1,000	1,200
Licenses subject to exam.....	400	368	500	575
Examinations conducted.....	34	60	100	175
Management and Administrative Services				
New Jersey Cemetery Board				
Cemetery companies certified.....	367	357	370	359

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

	Actual FY 1986	Actual FY 1987	Revised FY 1988	Budget Estimate FY 1989
AFFIRMATIVE ACTION DATA				
Male Minority	6	6	13	14
Male Minority %	4.5	4.5	9.0	9.4
Female Minority	8	8	11	15
Female Minority %	6.0	6.0	7.6	10.1
Total Minority	14	14	24	29
Total Minority %	10.5	10.5	16.6	19.5

(a) Reflects change in Department's information reporting system.

BUDGETED POSITIONS

	Actual FY 1986	Actual FY 1987	Revised FY 1988	Budget Estimate FY 1989
Budgeted Positions	153	153	153	163
Regulation of Banking Industry	69	69	68	73
Regulation of Savings and Loan Associations	39	39	38	43
Consumer Complaints, Legal and Economic Research	25	25	24	24
Management and Administrative Services	20	20	23	23
Positions Budgeted in Lump Sum Appropriation	---	---	10	---
Total Positions	153	153	163	163

APPROPRIATION DATA (amounts expressed in thousands)

-----Year Ending June 30, 1987-----						-----Year Ending June 30, 1989-----			
Orig. & (S)Supple- mental	Reapp. & (R)Rec	Transfers (E) Emer- gencies	Total Available	Expended	PROGRAM CLASSIFICATIONS	Ref Key	1988 Adjusted Approp	Requested	Recom- mended
2,642	20	4	2,666	2,575	Regulation of Banking Industry	01	2,935	2,865	2,865
1,281	75	4	1,360	1,251	Regulation of Savings and Loan Associations	02	1,520	1,580	1,580
669	5	55	729	704	Consumer Complaints, Legal and Economic Research	03	714	752	752
---	5,000	---	5,000	---	Pinelands Development Credit Bank	05	---	---	---
713	5	251	969	767	Management and Administrative Services	99	847	857	857
5,305	5,105	314	10,724	5,297	Total Appropriation		6,016	6,054	6,054
Distribution by Object									
Personal Services--									
4,493	---	107	4,600	4,490	Salaries and wages		4,996	4,956	4,956
---	---	---	---	---	Positions established from lump sum appropriation		201	268	268
4,493	---	107	4,600	4,490	Total Personal Services		5,197(a)	5,224	5,224
54	---	24	78	77	Materials and Supplies		73	73	73
555	---	44	599	598	Services Other Than Personal		635	649	649
21	---	5	26	26	Maintenance and Fixed Charges		26	26	26
Special Purpose--									
75	---	-75	---	---	N.J. Banking Oversight and Change of Control Act	01	---	---	---
---	---	---	---	---	Bank examination staff augmentation	01	---(b)	---	---
---	---	---	---	---	Savings and Loan examination staff augmentation	02	---(c)	---	---
---	5,000	---	5,000	---	Pinelands Development Credit Bank	05	---	---	---
10	---	-10	---	---	Affirmative action and equal employment opportunity program	99	10	10	10
---	93 R	---	93	---	Control		---	---	---
85	5,093	-85	5,093	---	Total Special Purpose		10	10	10
97	12	219	328	106	Additions, Improvements and Equipment		75	72	72

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

It is recommended that receipts in excess of \$2,577,000 anticipated from examination and licensing fees, excluding those receipts derived from the "New Jersey Banking Oversight and Change of Control Act," P.L. 1986, c. 6 (C17:9A-373 et seq.), be appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

It is further recommended that all receipts received from the regulation and examination of bank holding companies 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, 1988 in the Pinelands Development Credit Bank account be appropriated for the same purpose.

- (a) The 1988 appropriation has been adjusted for the allocation of the salary program.
- (b) Appropriation of \$125,000 distributed to applicable operating accounts.
- (c) Appropriation of \$132,000 distributed to applicable operating accounts.