

PUBLIC NOTICE

BANKING AND INSURANCE
DIVISION OF BANKING
OFFICE OF CONSUMER FINANCE

Notice of Receipt of Petition for Rulemaking

Requested Increase in Fees Chargeable by New Jersey Check Casher Licensees

Petitioner: New Jersey Financial Service Centers, Inc.

Take notice that on April 4, 2008, the Department of Banking and Insurance (Department) received a petition for rulemaking from the above petitioner. The petitioner requests the Department to increase the regulated check cashing fee for standard checks from two percent to 2.86 percent , and to increase the minimum fee for the cashing of all such checks from \$.90 to not less than \$1.00 per transaction. Standard checks do not include checks payable for purposes of Social Security old age and survivor's benefits, SSI or AFDC. The New Jersey Check Cashers Regulatory Act of 1993 (Act), at N.J.S.A. 17:15A-43, permits the Commissioner to set subsequent increases to the fees established in the Act for standard checks by regulation. In determining whether to propose such fee increases, the Commissioner, shall consider, but not be limited to, the following:

1. Rates charged in the past;
2. The income, cost and expense of the operation of licensees;
3. Rates charged by licensed check cashers or other similar entities located in other states for the same or similar services and the factors upon which those rates are based;
4. Changes in the population served; and
5. A reasonable profit for check cashers.

The petitioner noted that the fees established in the Act have not been increased since its enactment and that the lack of a subsequent fee increase is harming the industry. The petitioner also requests rulemaking to adopt a process for an automatic, periodic increase in check cashing fees based on increases in the applicable regional Consumer Price Index as reported by the United States Department of Labor.

In accordance with N.J.A.C. 1:30-4.2 and 3:3-4.3, the Department shall subsequently mail to the petitioner, and file with the Office of Administrative Law, a notice of action on the petitioner's request.

Fos08-ckn/INOREGS