

Search

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LAW AND PUBLIC SAFETY

DIVISION OF CONSUMER AFFAIRS

**Notice of Receipt of Petition for Rulemaking
Money Order Dormancy Fees**

Petitioner: MoneyGram Payment Systems, Inc., and The Western Union Company

Take notice that on July 14, 2009, the **Division of Consumer Affairs** (Division) received a petition for rulemaking from MoneyGram Payment Systems, Inc. and its predecessors and affiliates (MPSI), by Lonnie Keene, Chief Compliance Officer and The Western Union Company and its predecessors and affiliates, (Western Union), by Francis Aaron Henry, Assistant General Counsel. The petitioners request:

1. A rulemaking process pursuant to N.J.S.A. 52:14B-4 and N.J.A.C. 13:1D to adopt a rule specifying the circumstances under which retroactive calculation of money order inactivity fees is permitted by N.J.S.A. 56:8-182, which was enacted on January 13, 2008 and applies to money orders sold in New Jersey after April 12, 2008.
2. A rulemaking process pursuant to N.J.S.A. 52:14B-4 to amend N.J.A.C. 18:13 -3.2 to harmonize it with the requirements of N.J.S.A. 56:8-182.

MPSI and Western Union petition the Division "to adopt a [rule] to clarify that dormancy fees imposed in accordance with [N.J.S.A. 56:8-182] may be accrued retroactively to the date of issuance of a money order once the 12-month Initial Period under [[N.J.S.A. 56:8-182](#)] has lapsed."

The purpose of the petitioners' request is to confirm through a Division rule "that issuers of money orders in New Jersey may continue to administer money order inactivity fees, consistent with current industry and regulatory standards, by determining such fees on a retroactive basis after a 12-month initial period has expired." Otherwise, "issuers of money orders in New Jersey could be required to charge higher initial transaction fees in order to maintain current returns on capital. . . . The rule would maintain reduced costs for the majority of the petitioners' New Jersey customers whose money orders are cashed in a timely manner and help maintain the petitioners' current dormancy fee rates."

n accordance with N.J.A.C. 1:30-4.2, the Division shall subsequently mail to the petitioners, and file with the Office of Administrative Law, a notice of action on the petition.