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OLSS's New Jersey Supreme Court Victory Allows Its Client's Check Cashing Business to Stay Open

OLSS recently obtained a unanimous decision in favor of its client, Wm. S. Rich & Sons, in the New Jersey Supreme Court, reversing the Appellate Division, with broad implications for the check cashing industry. The Court interpreted the Check Cashers Regulatory Act, which forbids two check cashing outlets from locating less than 2,500 feet of each other but has a continuing exemption for locations already in place when the law was enacted, even if they have since changed ownership. The Appellate Division interpreted the exemption very strictly, holding that it disappears if the location briefly closes its doors during the ownership change. However, OLSS persuaded the Supreme Court to embrace a more common-sense view, also endorsed by the New Jersey Department of Banking and Insurance, that the exemption remains in place so long as the owner continuously maintains its license to operate the location. As a result, the client's checking location in Irvington, which the client had purchased from its former, troubled owner, will be allowed to continue serving the local community, as it has for decades.

OLSS partners Laurence B. Orloff and David Gorvitz and associate Alexander S. Firsichbaum represented Wm. S. Rich & Sons before the Supreme Court.