



**New Jersey  
Bankers Association**

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# Making Change With Change

BY SABRY J. MACKOUL

Change is good," declares the comic strip character Dilbert, adding cautiously, "You go first." Leaders take that challenge, and that's exactly what your association has done.

After 40 years at its Princeton Township location on North Harrison Street, the New Jersey Bankers Association has moved to 4365 U.S. Route 1 South, Princeton. Thanks to the NJBA professional staff's efforts, the new offices opened for business on Monday, Oct. 15, 2001.

Changing the association's headquarters location provides easier access and increased parking, while improving the ability of the newly modernized office operation to serve the education and government relations needs of our members.

The former site was sold to the Princeton Charter School, whose adjacent property was no longer adequate to meet the increasing needs of its growing student population.

Speaking of change, the state elections in November changed the political landscape in Trenton, starting next month. After an eight-year hiatus, the Democrats successfully regained the governorship with the election of Jim McGreevey, mayor of Woodbridge, and, for the first time in a decade, regained a majority (44-36) in the State General Assembly. Democrat gains in the State Senate – for the first time in New Jersey history – divided the upper house evenly (20-20) between both parties. The many new faces joining the ranks of state lawmakers will benefit from your association's educational and legislative relations efforts to help them understand how our industry functions, and plays a critical role in the state's economy.

Undoubtedly, legislative issues that may



affect our industry will continue to demand our attention. In fact, some of the legislation being considered could have serious implications for banks in the Garden State. We, as members of NJBA, can help shape our industry's destiny by actively supporting our association's educational/informational and lobbying efforts. In the near future, NJBA will be calling on each member financial institution to inform you of how you can help. Please support these important efforts.

I am also urging all member banks to join the JebPAC effort. If your bank has a political action committee, please consider making a transfer into JebPAC up to the legal limits permitted. The initial JebPAC solicitation will provide the necessary details. We understand that contributing to an elected official gives us no assurance that

they will support our positions. However, participating in the fundraising process does ensure that our legislators understand our association's interest in vital legislation, and helps facilitate the necessary dialogue with them.

Your association's bipartisan policy has been to distribute our funds to members of the legislature who support the banking industry. If your bank has never participated in JebPAC, I strongly request that you do so from now on. I truly believe that NJBA's success in Trenton has direct implications for the bottom lines of our institutions. I think NJBA's effectiveness would be hampered severely if JebPAC is not properly funded.

The political fundraising environment is stacked against our regulated industry. A non-regulated industry can write corporate checks directly to legislators and we cannot. A ticket to one fundraiser can cost more than \$1,500. It takes a lot of individual contributions to buy just one ticket. This year alone, we received contribution requests of more than \$250,000, but we had less than \$50,000 to spend. Bank mergers compound the funding problem by reducing the number of bank PACs. If possible, we encourage banks that still have political action committees to transfer the maximum allowed. NJBA has been successful so far in fending off anti-bank legislation dealing with such issues as fees, interest on mortgage escrow and other topics of vital interest. However, if we cannot replenish our JebPAC funds, our efforts in these areas will be seriously weakened.

In closing, let me comment briefly on the Sept. 11, 2001 tragedy. In this war against terrorism, we all have a part to play. That includes our industry, whether we are tracking and reporting unusual account activity, or extending the spirit of sensitivity and understanding to those customers experiencing financial difficulties because of either the World Trade Center calamity, a sudden call up to active duty military service, or postal service interruptions due to the anthrax incidents.

It was gratifying to see our industry respond so quickly and selflessly during this painful time in our nation's history. It was especially meaningful to see bankers volun-

teering to help the American Bankers Association's "Victims and Family Relief Fund," the Red Cross, the United Way, and to help the many other community efforts working to aid our fellow Americans in need.

Our industry has reacted responsibly during this hour of international crisis, even before our regulators called upon us to do so. All of these initiatives remind our customers that their industry really cares about the people and the neighborhoods we serve.

There is no doubt that change can be unsettling and bring about anxiety, whether it means moving into a new office, a change in the government, or even the terrible uncertainties of a war against a new, unpredictable and often invisible enemy. The more important test is how we rise to the occasion, cope with the challenges and adapt to the changes in a positive and courageous manner. ■

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