STATEMENT TO

ASSEMBLY, No. 4961

STATE OF NEW JERSEY

DATED: JANUARY 12, 2023

The Assembly Consumer Affairs Committee reports favorably Assembly Bill No. 4961.

As reported by the committee, this bill prohibits a consumer contract from limiting the number of claims made against the contract that are allowed to proceed at the same time in an adjudication if 1) the claims are similar and 2) the claimants are represented by the same legal counsel or different legal counsel coordinating the adjudication of the claims. Under the bill, "adjudication" means a legal proceeding, including, but not limited to, litigation and alternative dispute resolution, including arbitration and mediation, to resolve a legal dispute.

This bill is intended to protect a consumer's right to an expeditious adjudication. Specifically, the bill intends to preserve the speed of the adjudication for a consumer who hires legal counsel who is working with, or who may work with, multiple consumers on similar claims that arose from the same contract or who is coordinating the adjudication of the claims with other legal counsel working with consumers on similar claims from the contract.