

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

**SENATE, No. 901**

# **STATE OF NEW JERSEY**

DATED: JUNE 27, 2022

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 901 (1R).

Under the bill, language in the consumer fraud act on prohibited commercial practices is expanded to include commercial practices that are unconscionable or abusive. Additionally, the bill adds language to declare that in an action brought by the Attorney General, any commercial practice that violates State or federal law is conclusively presumed to be an unlawful practice under the consumer fraud act. The bill also adds language regarding the notice of private lawsuits based on violations of the consumer fraud act. Notice is to be sent electronically to a dedicated address established by the office of the Attorney General, and requires certain legal filings to be sent as part of the notice. The bill stipulates notice is to be sent to the Attorney General within 24 hours of filing rather than 10 days, as is required under current law.

Lastly, the bill amends current State antitrust law by allowing parties, including municipalities and the State, who are harmed by anticompetitive conduct to file suit even if the alleged harmed party is an indirect purchaser who did not deal directly with the defendant. The bill also stipulates that a defendant is entitled to prove that as a partial or complete defense to a claim for damages, an illegal overcharge has been passed on to others, including the defendant, who are entitled to recover, so as to avoid duplicate recovery damages. The bill adds language to clarify that a person seeking treble damages may do so if there is an alleged violation of State antitrust law that demonstrates anticompetitive conduct. Moreover, the bill adds provisions stating that in the event damages awarded as a result of a class action or an action instituted by the Attorney General remain unclaimed or undistributed, the Attorney General may apply to the court and have such funds escheat to the State upon showing that reasonable efforts were made by the State to distribute the funds but were unsuccessful.

As reported by the committee, Senate Bill No. 901 (1R) is identical to Assembly Bill No. 1556 (1R) which was also reported by the committee on this date.

### FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.