

SENATE, No. 2938

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED SEPTEMBER 17, 2018

Sponsored by:

Senator SHIRLEY K. TURNER

District 15 (Hunterdon and Mercer)

SYNOPSIS

Regulates annual report filing services.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning annual report filing services and supplementing
2 P.L.1960, c.39 (C.56:8-1 et seq.).

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4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

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7 1. As used in this act:

8 “Annual report” means a report filed every year to the
9 Department of the Treasury by a for-profit corporation, limited
10 partnership, limited liability partnership, or limited liability
11 company pursuant to N.J.S.14A:4-5; section 66 of P.L.1983, c.489
12 (C.42:2A-69); section 49 of P.L.2000, c.161 (C.42:1A-49); or
13 section 26 of P.L.2012, c.50 (C.42:2C-26).

14 “Annual report filing services” means the filing of an annual
15 report by a non-governmental entity on behalf of a for-profit
16 corporation, limited partnership, limited liability partnership, or
17 limited liability company for a fee in excess of the amount
18 authorized under the relevant statute.

19 “Director” means the Director of the Division of Revenue and
20 Enterprise Services in the Department of the Treasury.

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22 2. a. It shall be an unlawful practice and a violation of
23 P.L.1960, c.39 (C.56:8-1 et seq.) for any person to:

24 (1) use a written form of communication to solicit clients for
25 annual report filing services unless the written form of
26 communication displays, in a clear, conspicuous, and prominent
27 manner and makes the information stand out from the rest of the
28 text of the communication, the URL address of the Department of
29 the Treasury’s Internet web site through which the recipient could
30 file an annual report directly, the amount of the fee that the
31 Department of the Treasury’s office assesses for filing annual
32 reports, and any other language that the director may prescribe by
33 regulation; or

34 (2) create a false impression in a solicitation for annual report
35 filing services that the recipient is in any way legally required to
36 use the person's services in order to file an annual report.

37 b. Any person who uses a written form of communication to
38 solicit clients for annual report filing services shall, at least 15 days
39 prior to distribution, provide a copy of such written form of
40 communication to the Department of the Treasury.

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42 3. The director, pursuant to the provisions of the
43 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
44 seq.), shall promulgate rules and regulations to effectuate the
45 purposes of this act.

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47 4. This act shall take effect immediately.

STATEMENT

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This bill requires non-governmental entities providing annual report filing services to make certain disclosures when soliciting clients.

In New Jersey, for-profit corporations, limited partnerships, limited liability partnerships, and limited liability companies are required to file annual reports with the State Treasurer through an Internet web site. These entities are also required to pay a filing fee of approximately \$50. This bill would apply to persons who file the annual report on behalf of a company or partnership and charge more than \$50.

Under the bill, it will be an unlawful practice and a violation of the consumer fraud act for any person to solicit clients in writing for annual report filing services unless the solicitation displays, in a clear and conspicuous manner, the URL address of the Department of the Treasury's Internet web site through which the recipient could file an annual report directly and the amount of the fee that the Department of the Treasury's office assesses for filing annual reports. It will also be a violation of the consumer fraud act to create a false impression in a solicitation for annual report filing services that the recipient is in any way legally required to use the person's services in order to file the report.

An unlawful practice under the consumer fraud act is punishable by a monetary penalty of not more than \$10,000 for a first offense and not more than \$20,000 for any subsequent offense. In addition, a violation can result in cease and desist orders issued by the Attorney General, the assessment of punitive damages, and the awarding of treble damages and costs to the injured party.