

SENATE, No. 1742

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:

Senator NIA H. GILL

District 34 (Essex and Passaic)

SYNOPSIS

Shortens statute of limitations on certain contracts claims; clarifies that partial payment on obligation either tolls or revises, as applicable, relevant statute of limitations.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning certain statutes of limitations, and amending
2 N.J.S.2A:14-1 and N.J.S.2A:14-24.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. N.J.S.2A:14-1 is amended to read as follows:

8 2A:14-1. Every action at law for trespass to real property, for
9 any tortious injury to real or personal property, for taking,
10 detaining, or converting personal property, for replevin of goods or
11 chattels, or for any tortious injury to the rights of another not stated
12 in sections 2A:14-2 and 2A:14-3 of this Title, **[**or for recovery upon
13 a contractual claim or liability, express or implied, not under seal,
14 or upon an account other than one which concerns the trade or
15 merchandise between merchant and merchant, their factors, agents
16 and servants,**]** shall be commenced within 6 years next after the
17 cause of any such action shall have accrued.

18 Every action at law for recovery upon a contractual claim or
19 liability, express or implied, not under seal, or upon an account
20 other than one which concerns the trade or merchandise between
21 merchant and merchant, their factors, agents, and servants, shall be
22 commenced within 3 years next after the cause of any such action
23 shall have accrued.

24 This section shall not apply to any action for breach of any
25 contract for sale governed by section 12A:2-725 of the New Jersey
26 Statutes.

27 (cf: P.L.1961, c. 121, s.1)

28
29 2. N.J.S.2A:14-24 is amended to read as follows:

30 2A:14-24. In actions at law grounded on any simple contract, no
31 acknowledgment or promise by words only shall be deemed
32 sufficient evidence of a new or continuing contract, so as to take
33 any case out of the operation of this chapter, or to deprive any
34 person of the benefit thereof, unless such acknowledgment or
35 promise shall be made or continued by or in some writing to be
36 signed by the party chargeable thereby.

37 Where there shall be 2 or more joint contractors or executors or
38 administrators of any contractor, no such joint contractor, executor
39 or administrator shall lose the benefit of this chapter so as to be
40 chargeable in respect or by reason only of any written
41 acknowledgment or promise signed by another or others of them.
42 If, in an action against 2 or more joint contractors, or executors or
43 administrators of a contractor, it appears at the trial or otherwise
44 that the plaintiff, although barred as to 1 or more of such joint

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 contractors, or executors or administrators, shall, nevertheless be
2 entitled to recover against any other or others of the defendants by
3 virtue of a new acknowledgment or promise, or otherwise, judgment
4 may be given, with costs, for the plaintiff as to such defendant or
5 defendants, against whom he shall recover, and for the other
6 defendant or defendants against the plaintiff.

7 Nothing in this section shall take away, lessen or alter the effect
8 of any payment of principal or interest made by any person
9 whatsoever on the obligation in suit, which, consistent with case
10 law, tolls or revives, as applicable, the relevant statute of
11 limitations.

12 (cf: N.J.S.2A:14-24)

13
14 3. This act shall take effect immediately, and apply to all
15 causes of action which accrue on or after that date.

16 17 18 STATEMENT

19
20 This bill would reduce the statute of limitations on contract
21 lawsuits not covered by the Uniform Commercial Code,
22 N.J.S.12A:1-101 et seq., from six years to three years.
23 Additionally, it clarifies that any partial payment on a debt
24 obligation, whether paid toward principal or interest, either tolls or
25 revives, as applicable, the relevant statute of limitations for that
26 obligation. This clarification is an acknowledgement of New
27 Jersey's extensive case law on the "partial payment rule" and how it
28 affects the calculation of statutes of limitations, or provides for a
29 complete revival of same.