

ASSEMBLY, No. 387

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblywoman HECK and Assemblyman RUSSO

1 AN ACT providing additional civil penalties for certain deceptive
2 consumer practices, and supplementing P.L.1960, c.39 (C.56:8-1
3 et seq.).
4

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

7
8 1. As used in this act:

9 "Fund" means the Consumer Fraud Education Fund created
10 pursuant to section 5 of this act.

11 "Handicapped person" means a person who has a medically
12 determinable physical or mental impairment that substantially limits
13 one or more major life activities such as: eating, walking, hearing,
14 speaking, seeing, self-care, self-direction, learning, employability or
15 capacity for independent living.

16 "Pecuniary injury" shall include, but not be limited to: loss or
17 encumbrance of a primary residence, principal employment, or source
18 of income; loss of property set aside for retirement or for personal or
19 family care and maintenance; loss of payments received under a
20 pension or retirement plan or a government benefits program; or assets
21 essential to the health or welfare of the senior citizen or handicapped
22 person.

23 "Senior citizen" means any resident of this State of the age of 60
24 years or over.
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26 2. a. In addition to any other penalty authorized by law, a person
27 who knowingly violates the provisions of P.L.1960, c.39 (C.56:8-1 et
28 seq.) shall be subject to additional penalties as follows:

29 (1) A penalty of not more than \$10,000 if the person knew or
30 should have known that the victim of the violation is a senior citizen
31 or handicapped person and the violation caused the victim pecuniary
32 injury; or

33 (2) A penalty of not more than \$30,000 if the violation was part of
34 a scheme, plan, or course of conduct directed at senior citizens or
35 handicapped persons in connection with sales or advertisements.

1 b. The civil penalties authorized and collected under subsection a.
2 of this section shall be paid to the State Treasurer and credited to the
3 Consumer Fraud Education Fund created pursuant to section 5
4 of P.L. , c. (C.) (now pending before the Legislature as
5 this bill).

6
7 3. Restoration of money or property ordered pursuant to section
8 2 of P.L.1966, c.39 (C.56:8-14) or section 3 of P.L.1971, c.247
9 (C.56:8-15) shall be given priority over imposition of the additional
10 civil penalties authorized under section 2 of P.L. , c. (C.) (now
11 pending before the Legislature as this bill).

12
13 4. The Director of the Division of Consumer Affairs in the
14 Department of Law and Public Safety, in consultation with the
15 Director of the Division on Aging in the Department of Community
16 Affairs, the directors of the New Jersey Association of Area Agencies
17 on Aging and the New Jersey Association of County Offices for
18 Disabled Persons, shall develop and implement an educational program
19 to inform senior citizens and handicapped persons about consumer
20 protection laws and consumer rights, subject to funds made available
21 pursuant to subsection b. of section 5 of P.L. , c. (C.)(pending
22 before the Legislature as this bill) or any other source. Functions of
23 the program may include:

24 a. The preparation of educational materials regarding consumer
25 protection laws and consumer rights that are of particular interest to
26 senior citizens and handicapped persons and distribution of those
27 materials to the appropriate State and county agencies for
28 dissemination to senior citizens, handicapped persons and the public;
29 and

30 b. The underwriting of educational seminars and other forms of
31 educational projects for the benefit of senior citizens and handicapped
32 persons.

33
34 5. a. There is established in the General Fund a special fund to be
35 known as the Consumer Fraud Education Fund. The State Treasurer
36 shall credit to the fund all moneys received by the State for penalties
37 assessed pursuant to section 2 of P.L. , c. (C.) (now pending
38 before the Legislature as this bill). The fund shall be continuing and
39 nonlapsing. The fund shall be administered by the State Treasurer, and
40 any interest earned on moneys in the fund shall be credited to the fund.

41 b. The Division of Consumer Affairs may draw upon the fund to
42 effectuate the purposes of section 4 of P.L. , c. (C.) (now
43 pending before the Legislature as this bill) and to pay reasonable and
44 necessary administrative expenses incurred in implementing the
45 provisions of this act to the extent that moneys are available.

