

ASSEMBLY, No. 2872

STATE OF NEW JERSEY

INTRODUCED MAY 1, 1997

By Assemblywoman HECK, Assemblymen TALARICO,
Cottrell, Malone, Moran, Assemblywoman Wright,
Assemblymen Kramer, Asselta and LeFevre

1 AN ACT concerning certain consumer fraud practices and amending
2 P.L.1960, c.39.

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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. Section 1 of P.L.1960, c.39 (C.56:8-1) is amended to read as
8 follows:

9 1. (a) The term "advertisement" shall include the attempt directly
10 or indirectly by publication, dissemination, solicitation, indorsement or
11 circulation or in any other way to induce directly or indirectly any
12 person to enter or not enter into any obligation or acquire any title or
13 interest in any merchandise or to increase the consumption thereof or
14 to make any loan;

15 (b) The term "Attorney General" shall mean the Attorney General
16 of the State of New Jersey or any person acting on his behalf;

17 (c) The term "merchandise" shall include any objects, wares,
18 goods, commodities, securities, services or anything offered, directly
19 or indirectly to the public for sale;

20 (d) The term "person" as used in this act shall include any natural
21 person or his legal representative, partnership, corporation, company,
22 trust, business entity or association, and any agent, employee,
23 salesman, partner, officer, director, member, stockholder, associate,
24 trustee or cestuis que trustent thereof;

25 (e) The term "sale" shall include any sale, rental or distribution,
26 offer for sale, rental or distribution or attempt directly or indirectly to
27 sell, rent or distribute.

28 (cf: P.L.1967, c.301, s.1)

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30 2. This act shall take effect immediately.

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

Matter underlined thus is new matter.

1 STATEMENT

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3 The provisions of the consumer fraud act, P.L.1960, c.39 (C.56:8-1
4 et seq.), are designed to protect consumers from deceptive sales or
5 advertising practices in the marketing of merchandise. As defined in
6 that act, "merchandise" includes any objects, wares, goods,
7 commodities, services or anything offered, directly or indirectly to the
8 public for sale. This bill, by adding securities to the definition of
9 "merchandise," is intended to clarify that fraud in the sale of securities
10 is a violation of the consumer fraud act.

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15 Includes security fraud as violation of consumer fraud act.