

# SENATE COMMERCE COMMITTEE

## STATEMENT TO

### SENATE, No. 3474

# STATE OF NEW JERSEY

DATED: MAY 13, 2021

The Senate Commerce Committee reports favorably Senate Bill No. 3474.

This bill requires the inclusion of a disclosure letter with any mailing that falsely implies a State government connection, approval, or endorsement.

Under the provisions of this bill, it would be an unlawful practice under the consumer fraud act for any person to send a mailing which constitutes a solicitation by a nongovernmental entity for the purchase of or payment for a product or service which could reasonably be interpreted as falsely implying any State government connection, approval, or endorsement through the use of a seal; insignia; citation to a State statute; name of a State agency, department, commission, or program; trade or brand name; or any other term or symbol unless the person includes a disclosure letter.

The bill provides that the disclosure letter is to contain the following:

- the full name of the person sending the solicitation;
- if the solicitation constitutes an offer to satisfy a State statutory obligation in exchange for a fee, a breakdown of the cost of the service to include the total amount of money to be paid to the State to satisfy the statutory obligation and the fee charged for the service; and
- language printed in no less than 14 point, bold typeface stating: “This product or service has not been approved or endorsed by the State of New Jersey, and this offer is not being made by a State agency, department, commission, or program.”

The bill defines “person” to mean an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, public corporation, or any other legal or commercial entity.

An unlawful practice under the consumer fraud act, P.L.1960, c.39 (C.56:8-1 et seq.), 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 a cease and desist order issued by the Attorney General, the assessment of punitive damages, and the awarding of treble damages and costs to the injured.

As reported, this bill is identical to Assembly Bill No. 4834 as also reported by the committee.