

ASSEMBLY, No. 1515

STATE OF NEW JERSEY 217th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2016 SESSION

Sponsored by:

Assemblyman JOHN F. MCKEON

District 27 (Essex and Morris)

SYNOPSIS

Limits forum of consumer contract disputes to New Jersey.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



A1515 MCKEON

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1 AN ACT concerning the forum of certain consumer contracts and
2 supplementing P.L.1980, c.125 (C.56:12-1 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. A term or condition in a consumer contract concerning
8 venue, forum, or jurisdiction involving a resident of this State is
9 valid only if that term or condition requires that the dispute is
10 resolved within the State of New Jersey. This requirement may only
11 be waived upon the advice of counsel as evidenced by counsel's
12 signature on the contract.

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14 2. This act shall take effect on the 90th day following
15 enactment and apply to consumer contracts executed on or after that
16 date.

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STATEMENT

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21 This bill prohibits terms and conditions in a consumer contract
22 that require the dispute be resolved in a venue, forum, or
23 jurisdiction outside of the State of New Jersey.

24 This bill will assure that consumers are not forced by businesses
25 to resolve their disputes in distant and costly forums. Consumer
26 contracts increasingly contain forum-selection clauses that require
27 litigation or arbitration to take place outside of New Jersey, making
28 dispute resolution costly and difficult for consumers. These
29 contracts are typically standardized forms drafted with no input
30 from the consumer, and are offered on a take-it-or-leave-it basis.
31 The consumer is often the less sophisticated party, who is agreeing
32 to the contract without the benefit of an attorney, and may not be
33 able to afford to travel to resolve a dispute.