Sponsored by:
Senator NELLIE POU
District 35 (Bergen and Passaic)

SYNOPSIS
Prohibits discrimination against cash-paying consumers.

CURRENT VERSION OF TEXT
As introduced.
AN ACT concerning payments by consumers and supplementing P.L.1960, c.39 (C.56:8-1 et seq.).

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

1. a. A person selling or offering for sale goods or services at retail shall not require a buyer to pay using credit or to prohibit cash as payment in order to purchase the goods or services. A person selling or offering for sale goods or services at retail shall accept legal tender when offered by the buyer as payment.

   b. A person in violation of subsection a. of this section shall be subject to a civil penalty of up to $2,500 for a first offense and up to $5,000 for a second offense, to be collected in a civil action by a summary proceeding under the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court shall have jurisdiction of proceedings for the enforcement of the penalty provided by this section.

   A third violation of subsection a. of this section is an unlawful practice under P.L.1960, c.39 (C.56:8-1 et seq.), and for the purposes of this subsection shall be considered a first offense under P.L.1960, c.39 (C.56:8-1 et seq.).

   A fourth or subsequent violation of subsection a. of this section is an unlawful practice under P.L.1960, c.39 (C.56:8-1 et seq.), and for the purposes of this subsection shall be considered a subsequent offense under P.L.1960, c.39 (C.56:8-1 et seq.).

   c. As used in this section, “at retail” shall include any retail transaction conducted in person and exclude any telephone, mail, or Internet-based transaction.

2. This act shall take effect immediately.

STATEMENT

This bill prohibits discrimination against consumers paying for goods or services with cash.

Specifically, the bill prohibits a person from selling or offering for sale any goods or services at retail if the person requires the buyer to pay with credit or prohibits the buyer from paying with cash. The bill applies to any retail transaction conducted in-person, and excludes telephone, mail, or Internet-based transactions.

A civil penalty of up to $2,500 would be imposed for a first violation of the bill’s provisions, and up to $5,000 for a second violation. A third violation would be an unlawful practice under the consumer fraud act, P.L.1960, c.39 (C.56:8-1 et seq.), and would be considered a first offense under the consumer fraud act. A fourth or subsequent violation of the bill’s provisions would be an unlawful
practice under the consumer fraud act, and would be considered a
subsequent offense under that act.

An unlawful practice 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. Additionally, violations can result in cease
and desist orders issued by the Attorney General, the assessment of
punitive damages, and the awarding of treble damages and costs to
the injured party.