SENATE COMMERCE COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 802

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 16, 2021

The Senate Commerce Committee reports favorably and with committee amendments Assembly Bill No. 802 (1R).

As amended, this bill requires every mercantile establishment in this State that displays gift cards for sale to train employees on how to identify and respond to gift card fraud.

In consultation with the Attorney General, the Director of the Division of Consumer Affairs would be required to issue guidelines concerning the detection and prevention of gift card fraud. The training for employees of retail mercantile establishments would be required to be conducted in accordance with the guidelines.

The bill provides that the guidelines would include, but not be limited to: (1) information raising public awareness of the prevalence of gift card fraud; (2) information concerning common gift card fraud schemes; and (3) best practices for retail mercantile establishments to prevent gift card fraud. The guidelines would be published on the Internet websites of the Department of Law and Public Safety and the Division of Consumer Affairs, and updated periodically, as necessary.

A retail mercantile establishment that does not train employees as required by its provisions would be subject to a civil penalty in the amount of $1,000. However, failure to train employees would not be considered an unlawful practice in violation of the New Jersey consumer fraud act.

As amended and reported, this bill is identical to Senate Bill No. 1352, as also amended and reported by the committee.

COMMITTEE AMENDMENTS

The committee approved an amendment to make a technical change.