56:8-53.1

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2007 CHAPTER: 124

NJSA: 56:8-53.1 (Concerns sale or lease of unsafe or recalled children's products)

BILL NO: S265 (Substituted for A2554)

SPONSOR(S): Sarlo and others

DATE INTRODUCED: January 10, 2006

COMMITTEE: ASSEMBLY: Consumer Affairs

SENATE: Commerce

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: ASSEMBLY: March 15, 2007

SENATE: June 18, 2007

DATE OF APPROVAL: August 6, 2007

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Second reprint enacted)

S265

SPONSOR'S STATEMENT: (Begins on page 5 of original bill)

Yes

COMMITTEE STATEMENT: <u>ASSEMBLY</u>: <u>Yes</u>

SENATE: Yes

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

A2554

SPONSOR'S STATEMENT: (Begins on page 4 of original bill) Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: No

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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IS 4/17/08

P.L. 2007, CHAPTER 124, approved August 6, 2007 Senate, No. 265 (Second Reprint)

AN ACT concerning child product safety and supplementing P.L.1960, c.39 (C.56:8-1 et seq.) and P.L.1983, c.492 (C.30:5B-1 et seq.).

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

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1. As used in this act:

²"Child" means a person less than 14 years of age. ²

"Children's product" means a product, including, but not limited to, a full-size crib, non-full-size crib, toddler bed, bed, car seat, chair, high chair, booster chair, hook-on chair, bath seat, gate or other enclosure for confining a child, play yard, stationary activity center, carrier, stroller, walker, swing, or toy or play equipment, that meets the following criteria:

that meets the following criteria:

- a. the product is designed or intended for the care of, or use by, ¹ [children under six years of age, or is designed or intended for the care of, or use by, both children under six years of age and children six years of age or older] a child ¹; or
- b. the product is designed or intended to come into contact with 1 [the] \underline{a}^{1} child while the product is used.

Notwithstanding any other provision of this section to the contrary, a product is not a "children's product" for the purposes of this act if it may be used by or for the care of a child ¹ [under six years of age] ¹, but it is designed or intended for use by the general population or segments of the general population and not solely or primarily for use by or for the care of a child, or it is a balloon, medication, drug, or food or is intended to be ingested.

"Commercial user" means any person who deals in children's products or who otherwise by one's occupation holds oneself out as having knowledge or skill peculiar to children's products, or any person who is in the business of remanufacturing, retrofitting, selling, leasing, subletting, or otherwise placing in the stream of commerce children's products.

"Infant" means any person less than 35 inches tall and less than three years of age.

"Crib" means a bed or containment designed to accommodate an

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SCM committee amendments adopted January 30, 2006.

²Assembly ACO committee amendments adopted November 9, 2006.

1 infant.

"Full-size crib" means a full-size crib as defined in Sections 1508.1 and 1508.3 of '[Title] title' 16 '[of the],' Code of Federal Regulations regarding the requirements for full-size cribs.

²[¹"Infant" means any person less than 35 inches tall and less than three years of age. ¹]²

"Non-full-size crib" means a non-full-size crib as defined in Section 1509.2 of '[Title] title' 16 '[of the],' Code of Federal Regulations regarding the requirements of non-full-sized cribs.

"Place in the stream of commerce" means to sell, offer for sale, give away, offer to give away, or allow the use of.

- 2. a. It shall be an unlawful practice for any commercial user to knowingly remanufacture, retrofit, sell, contract to sell or resell, lease, sublet, or otherwise place in the stream of commerce a children's product deemed unsafe in accordance with this section.
- b. A children's product is deemed to be unsafe for purposes of this section if it meets any of the following criteria:
- (1) ¹ [It does not conform to all federal laws and regulations setting forth standards for the children's product; or
- (2) It 1 ± 1 has been recalled for any reason by a federal agency or the product's manufacturer, distributor, or importer and the recall has not been rescinded; or
- ¹[(3) A] (2) a¹ federal agency has issued a warning that a specific product's intended use constitutes a safety hazard and the warning has not been rescinded.
- ¹[c. In addition to the criteria established pursuant to subsection b. of this section, a crib is deemed unsafe for the purposes of this section if it does not conform to the standards endorsed or established by the federal Consumer Product Safety Commission, including, but not limited to, Title 16 of the Code of Federal Regulations and ASTM International, as follows:
- (1) Part 1508 of Title 16 of the Code of Federal Regulations and any regulations adopted to amend or supplement the regulations;
- (2) Part 1509 of Title 16 of the Code of Federal Regulations and any regulations adopted to amend or supplement the regulations;
- (3) Part 1303 of Title 16 of the Code of Federal Regulations and any regulations adopted to amend or supplement the regulations; and
- 40 (4) The following standards and specifications of ASTM
 41 International for corner posts of baby cribs and structural integrity
 42 of baby cribs:
 - (a) ASTM F 966 (corner post standard);
- (b) ASTM F 1169 (structural integrity of full-size baby cribs);
 - (c) ASTM F 1822 (non-full-size cribs); and
- 46 (d) ASTM F 406 (non-full size baby cribs/play yards).]¹

- 3. a. The Division of Consumer Affairs in the Department of
 Law and Public Safety shall:
 - (1) create, maintain, and update a comprehensive list of children's products that have been identified as meeting any of the criteria set forth in section 2 of P.L. , c. (C.) (pending before the Legislature as this bill); and
 - (2) make the comprehensive list available to the public at no cost, including, but not limited to, posting the list on the Internet.
 - b. The Division of Consumer Affairs shall not be liable for any civil damages as a result of any acts or omissions undertaken in good faith in the creation, maintenance or updating of the list of children's products in accordance with subsection a. of this section.

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4. A children's product deemed unsafe in accordance with ¹[this act] P.L., c. (C.) (pending before the Legislature as this bill) as a result of a recall or warning issued by a federal agency, may be retrofitted by the manufacturer if the retrofit has been approved by the federal agency issuing the recall or warning or another federal agency with the authority to approve the retrofit. A retrofitted children's product may be placed in the stream of commerce ¹ [if it is accompanied at the time of delivery by a notice stating that the retrofit has been approved by the federal agency issuing the recall or warning or another federal agency with the authority to approve the retrofit $]^1$. $[The] A^1$ commercial user is responsible for maintaining a record of any notice provided by the manufacturer ¹concerning a retrofitted children's product ¹ stating that the retrofit has been approved by the federal agency issuing the recall or warning or another federal agency with the authority to approve the retrofit. ¹ [The commercial user is required to make the notice available to customers upon purchase of the retrofitted children's product. 1

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5. a. A child care '[facility] center' licensed pursuant to P.L.1983 '[.] 'c.492 (C.30:5B-1 et seq.) may not use or have on its premises a children's product deemed unsafe in accordance with section 2 of P.L. , c. (C.) (pending before the Legislature as this bill). This subsection does not apply to an antique or collectible children's product if it is not used by, or accessible to, any child in the child care '[facility] center'.

b. The '[Division of Youth and Family Services in the]'

Department of '[Human Services] Children and Families' shall

Inotify child care facilities of the provisions of this section and of]

make the list created by the Division of Consumer Affairs regarding

unsafe' children's products '[deemed unsafe in accordance with]

pursuant to' section '[2] 3' of P.L., c. (C.) (pending before

the Legislature as this bill), '[in plain, non-technical language that

- will enable each available to child care facility to centers by
- 2 posting the list on the department's website or providing electronic
- 3 access to the list through its website to the list's posting on the
- 4 Internet by the Division of Consumer Affairs, so that child care
- 5 <u>centers may more</u> effectively inspect children's products and
- 6 identify unsafe children's products.
- 7 c. (1) The '[division] department' shall prepare a certification 8 form and require each '[facility] center' to complete the 9 certification form '[in] during' the process of licensing, renewal,
- 10 or periodic '[update] updating'.
- 11 (2) The '[division] department' shall retain the certification 12 form completed by each '[facility] center' in each respective 13 '[facility's] center's' licensing file.
- 14 'd.' Each child care '[facility] center' shall:
- 15 (1) as part of the licensing, licensing renewal, or periodic
- 16 inspection process conducted by the ¹[Division of Youth and
- 17 Family Services department, certify in writing that it has
- 18 reviewed the list created by the Division of Consumer Affairs ¹[in
- 19 the Department of Law and Public Safety] 1 regarding unsafe
- 20 children's products pursuant to section 3 of P.L. , c. (C.)
- 21 (pending before the Legislature as this bill) ¹, ¹ and that there are no
- 22 unsafe products in the '[facility] center'; and
- 23 (2) [maintain] review the list [in its licensing file]
- 24 <u>periodically</u> and make the list accessible to the '[facility] <u>center</u>'
- 25 staff members and to parents of the children who attend the
- 26 ¹ [facility] center ¹.
- 27 [d.] e. The [Division of Youth and Family Services]
- 28 <u>department</u>¹ may revoke or refuse to renew the license of any child
- 29 care '[facility] center,' or refuse to issue a license to a '[facility]
- 30 <u>center</u>, should the '[facility] <u>center</u>' not comply with any section
- 31 of P.L. , c. C.) (pending before the Legislature as this
- 32 bill).

- 6. a. Pursuant to the "Administrative Procedure Act," P.L.1968,
- 35 c.410 (C.52:14B-1 et seq.), the Director of the Division of
- 36 Consumer Affairs in the Department of Law and Public Safety, may
- adopt rules and regulations to effectuate the purposes of sections 1
- 38 through 4 of this act.
- b. Pursuant to the "Administrative Procedure Act," P.L.1968,
- 40 c.410 (C.52:14B-1 et seq.), the Commissioner of ²[Human
- 41 Services Children and Families shall adopt rules and regulations
- 42 to effectuate the purposes of section 5 of this bill.

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- 7. This act shall take effect on the ²[180th] first² day ²of the
- 45 <u>seventh month</u>² after enactment.

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3 Concerns sale or lease of unsafe or recalled children's products.

SENATE, No. 265

STATE OF NEW JERSEY

212th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2006 SESSION

Sponsored by: Senator PAUL A. SARLO District 36 (Bergen, Essex and Passaic) Senator LORETTA WEINBERG District 37 (Bergen)

SYNOPSIS

Prohibits sale or lease of unsafe or recalled children's products and their use by licensed child care facilities.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



(Sponsorship Updated As Of: 1/27/2006)

AN ACT concerning child product safety and supplementing P.L.1960, c.39 (C.56:8-1 et seq.) and P.L.1983, c.492 (C.30:5B-1 et seq.).

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

1. As used in this act:

"Children's product" means a product, including, but not limited to, a full-size crib, non-full-size crib, toddler bed, bed, car seat, chair, high chair, booster chair, hook-on chair, bath seat, gate or other enclosure for confining a child, play yard, stationary activity center, carrier, stroller, walker, swing, or toy or play equipment, that meets the following criteria:

- a. the product is designed or intended for the care of, or use by, children under six years of age, or is designed or intended for the care of, or use by, both children under six years of age and children six years of age or older; or
- b. the product is designed or intended to come into contact with the child while the product is used.

Notwithstanding any other provision of this section to the contrary, a product is not a "children's product" for the purposes of this act if it may be used by or for the care of a child under six years of age, but it is designed or intended for use by the general population or segments of the general population and not solely or primarily for use by or for the care of a child, or it is a balloon, medication, drug, or food or is intended to be ingested.

"Commercial user" means any person who deals in children's products or who otherwise by one's occupation holds oneself out as having knowledge or skill peculiar to children's products, or any person who is in the business of remanufacturing, retrofitting, selling, leasing, subletting, or otherwise placing in the stream of commerce children's products.

"Infant" means any person less than 35 inches tall and less than three years of age.

"Crib" means a bed or containment designed to accommodate an infant.

"Full-size crib" means a full-size crib as defined in Sections 1508.1 and 1508.3 of Title 16 of the Code of Federal Regulations regarding the requirements for full-size cribs.

"Non-full-size crib" means a non-full-size crib as defined in Section 1509.2 of Title 16 of the Code of Federal Regulations regarding the requirements of non-full-sized cribs.

"Place in the stream of commerce" means to sell, offer for sale, give away, offer to give away, or allow the use of.

2. a. It shall be an unlawful practice for any commercial user to knowingly remanufacture, retrofit, sell, contract to sell or resell,

- lease, sublet, or otherwise place in the stream of commerce a children's product deemed unsafe in accordance with this section.
 - b. A children's product is deemed to be unsafe for purposes of this section if it meets any of the following criteria:
 - (1) It does not conform to all federal laws and regulations setting forth standards for the children's product; or
 - (2) It has been recalled for any reason by a federal agency or the product's manufacturer, distributor, or importer and the recall has not been rescinded; or
 - (3) A federal agency has issued a warning that a specific product's intended use constitutes a safety hazard and the warning has not been rescinded.
 - c. In addition to the criteria established pursuant to subsection b. of this section, a crib is deemed unsafe for the purposes of this section if it does not conform to the standards endorsed or established by the federal Consumer Product Safety Commission, including, but not limited to, Title 16 of the Code of Federal Regulations and ASTM International, as follows:
 - (1) Part 1508 of Title 16 of the Code of Federal Regulations and any regulations adopted to amend or supplement the regulations;
 - (2) Part 1509 of Title 16 of the Code of Federal Regulations and any regulations adopted to amend or supplement the regulations;
 - (3) Part 1303 of Title 16 of the Code of Federal Regulations and any regulations adopted to amend or supplement the regulations; and
 - (4) The following standards and specifications of ASTM International for corner posts of baby cribs and structural integrity of baby cribs:
 - (a) ASTM F 966 (corner post standard);
 - (b) ASTM F 1169 (structural integrity of full-size baby cribs);
- 31 (c) ASTM F 1822 (non-full-size cribs); and
- 32 (d) ASTM F 406 (non-full size baby cribs/play yards).

- 34 3. a. The Division of Consumer Affairs in the Department of Law and Public Safety shall:
 - (1) create, maintain, and update a comprehensive list of children's products that have been identified as meeting any of the criteria set forth in section 2 of P.L. , c. (C.) (pending before the Legislature as this bill); and
 - (2) make the comprehensive list available to the public at no cost, including, but not limited to, posting the list on the Internet.
 - b. The Division of Consumer Affairs shall not be liable for any civil damages as a result of any acts or omissions undertaken in good faith in the creation, maintenance or updating of the list of children's products in accordance with subsection a. of this section.

4. A children's product deemed unsafe in accordance with this act as a result of a recall or warning issued by a federal agency, may

be retrofitted by the manufacturer if the retrofit has been approved by the federal agency issuing the recall or warning or another federal agency with the authority to approve the retrofit. retrofitted children's product may be placed in the stream of commerce if it is accompanied at the time of delivery by a notice stating that the retrofit has been approved by the federal agency issuing the recall or warning or another federal agency with the authority to approve the retrofit. The commercial user is responsible for maintaining a record of any notice provided by the manufacturer stating that the retrofit has been approved by the federal agency issuing the recall or warning or another federal agency with the authority to approve the retrofit. The commercial user is required to make the notice available to customers upon purchase of the retrofitted children's product.

- 5. a. A child care facility licensed pursuant to P.L.1983. c.492 (C.30:5B-1 et seq.) may not use or have on its premises a children's product deemed unsafe in accordance with section 2 of P.L. , c. (C.) (pending before the Legislature as this bill). This subsection does not apply to an antique or collectible children's product if it is not used by, or accessible to, any child in the child care facility.
- b. The Division of Youth and Family Services in the Department of Human Services shall notify child care facilities of the provisions of this section and of children's products deemed unsafe in accordance with section 2 of P.L. , c. (C.) (pending before the Legislature as this bill), in plain, non-technical language that will enable each child care facility to effectively inspect children's products and identify unsafe children's products.
- c. (1) The division shall prepare a certification form and require each facility to complete the certification form in the process of licensing, renewal, or periodic update.
- (2) The division shall retain the certification form completed by each facility in each respective facility's licensing file.

Each child care facility shall: (1) as part of the licensing, licensing renewal, or periodic inspection process conducted by the Division of Youth and Family Services, certify in writing that it has reviewed the list created by the Division of Consumer Affairs in the Department of Law and Public Safety regarding unsafe children's products pursuant to section 3 of P.L. , c. (C.) (pending before the Legislature as this bill) and that there are no unsafe products in the facility; and (2) maintain the list in its licensing file and make the list accessible to the facility staff members and to parents of the children who attend the facility.

d. The Division of Youth and Family Services may revoke or refuse to renew the license of any child care facility or refuse to issue a license to a facility should the facility not comply with any section of P.L. , c. (C.) (pending before the Legislature

as	this	bill)
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- 6. a. Pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), the Director of the Division of Consumer Affairs in the Department of Law and Public Safety, may adopt rules and regulations to effectuate the purposes of sections 1 through 4 of this act.
- b. Pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), the Commissioner of Human Services shall adopt rules and regulations to effectuate the purposes of section 5 of this bill.

7. This act shall take effect on the 180th day after enactment.

STATEMENT

 This bill stipulates that it shall be an unlawful practice for any commercial user to knowingly remanufacture, retrofit, sell, contract to sell or resell, lease or otherwise place in the stream of commerce a children's product deemed unsafe in accordance with the provisions of the bill. The bill specifies that products that do not conform to federal standards, that have been recalled, or that have been deemed a safety hazard by the federal government, are unsafe.

The bill directs the Division of Consumer Affairs in the Department of Law and Public Safety to create and maintain a list of unsafe children's products and to make the list available to the public at no cost, including, but not limited to, posting the list on the Internet. The bill also stipulates that the Division of Consumer Affairs shall not be liable for any civil damages as a result of any acts or omissions undertaken in good faith in the creation, maintenance or updating of the list.

The provisions of the bill specify that a:

- * children's product deemed unsafe as a result of a recall or warning issued by a federal agency, may be retrofitted by the manufacturer if the retrofit has been approved by the federal agency issuing the recall or warning or another federal agency with the authority to approve the retrofit;
- * retrofitted product may be placed in the stream of commerce if it is accompanied at the time of delivery by a notice stating that the retrofit has been approved by the federal agency issuing the recall or warning or another federal agency with the authority to approve the retrofit; and
- * commercial user is responsible for maintaining a record of any notice provided by the manufacturer that states the retrofit has been approved by the federal agency issuing the recall or warning or another federal agency with the authority to approve the retrofit, and is required to make the

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1		notice available to customers upon purchase of the
2		retrofitted children's product.
3	Fin	ally, the bill directs:
4	*	child care facilities, as part of their licensure process, to
5		review the list developed by the Division of Consumer
6		Affairs and certify that there are no unsafe children's
7		products in the child care facility; and
8	*	the Division of Youth and Family Services in the
9		Department of Human Services to prepare the certification
10		form which shall be completed by child care facilities during
11		the licensure process.

ASSEMBLY CONSUMER AFFAIRS COMMITTEE

STATEMENT TO

[First Reprint] **SENATE, No. 265**

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 9, 2006

The Assembly Consumer Affairs Committee reports favorably and with committee amendments Senate Bill No. 265 [1R].

As amended, Senate Bill No. 265 [1R] makes it an unlawful practice for any commercial user to knowingly remanufacture, retrofit, sell, lease, or otherwise place in the stream of commerce children's products, including cribs, high chairs, gates, and play equipment, which are deemed unsafe under the provisions of the bill. The bill specifies that a product is deemed unsafe if:

- it has been recalled for any reason by a federal agency or the product's manufacturer, distributor, or importer; or
- a federal agency has issued, and not rescinded, a warning that the product's intended use constitutes a safety hazard.

Under the bill, a children's product deemed unsafe may be retrofitted by the manufacturer and placed in the stream of commerce if the retrofit has been approved by the federal agency issuing the recall or warning or by another federal agency with the authority to approve the retrofit. The bill requires commercial users to maintain records of any notice provided by manufacturers concerning retrofitted children's products, stating that the retrofits have been approved by the appropriate federal agencies.

In addition, the bill directs the Division of Consumer Affairs to create and maintain, and make available, a list of unsafe children's products. The bill specifies that the division may not be held liable for any civil damages resulting from any acts or omissions undertaken in good faith in the list's creation, maintenance, or updating.

The bill also prohibits child care centers from using or having unsafe children's products on their premises. Under the bill, the Department of Children and Families is directed to make the list of unsafe children's products, along with a certification form, available to child care centers so that the centers may identify any unsafe children's products and indicate their compliance with the provisions of this bill.

An unlawful practice under the Consumer Fraud Act 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 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.

COMMITTEE AMENDMENTS

At the sponsor's request, the committee amended the bill to:

- include a definition of "child" to mean a person less than 14 years of age;
- remove the definition of "infant," since the term is not used in the bill;
- replace references to the Department of Human Services with the new, more appropriate, Department of Children and Families; and
- update the effective date language.

As reported by the committee, this bill is identical to Assembly Bill No. 2554, as amended and reported by the committee on this same date.

SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 265

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 30, 2006

This bill, as amended, stipulates that it shall be an unlawful practice under the consumer fraud act, P.L.1960, c.39 (C.56:8-1 et seq.), for any commercial user, to knowingly remanufacture, retrofit, sell, contract to sell or resell, lease or otherwise place in the stream of commerce a children's product, including cribs, high chairs, gates, and play equipment, deemed unsafe in accordance with the provisions of the amended bill, because the product is recalled for any reason by a federal agency or the product's manufacturer, distributor, or importer, or a federal agency issues a warning that the product's intended use constitutes a safety hazard.

Under the consumer fraud act, an unlawful practice is punishable by a monetary penalty of not more than \$10,000 for the first offense and not more than \$20,000 for any subsequent offense. In addition, a violation 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 an injured party.

A children's product deemed unsafe as a result of a recall or warning issued by a federal agency may be retrofitted by the manufacturer, if the retrofit has been approved by the federal agency issuing the recall or warning or by another federal agency with the authority to approve the retrofit. The retrofitted product may subsequently be placed in the stream of commerce. A commercial user is responsible for maintaining a record of any notice provided by the manufacturer concerning a retrofitted children's product stating that the retrofit has been approved by the federal agency issuing the recall or warning, or another federal agency with the authority to approve the retrofit.

Additionally, the amended bill directs the Division of Consumer Affairs in the Department of Law and Public Safety to create and maintain a list of unsafe children's products and to make the list available to the public at no cost, including, but not limited to, posting the list on the Internet. In doing so, the amended bill stipulates that the division shall not be liable for any civil damages as a result of any acts or omissions undertaken in good faith in its creation, maintenance, or updating of the list.

The amended bill further directs that child care centers licensed pursuant to the "Child Care Center Licensing Act," P.L.1983, c.492 (C.30:5B-1 et seq.), may not use or have on premises a children's product deemed unsafe in accordance with the amended bill's provisions. The Department of Human Services shall make the list of unsafe children's products created by the Division of Consumer Affairs available to child care centers by posting the list on the department's website or providing electronic access to the list through its website to the list's posting on the Internet by the Division of Consumer Affairs. Such department action is intended to allow child care centers to more effectively inspect and remove any unsafe children's products. The department shall also prepare and utilize a certification form indicating each child care center's compliance with the amended bill's requirements.

The committee amendments to the bill:

- eliminate restrictions concerning a child's age in the definition section in order to make the amended bill's scope more consistent with applicable federal consumer affairs regulations, as these federal regulations do not specifically reference any children's age or age groups;
- remove the responsibility of the Division of Consumer Affairs for evaluating products to determine conformity with respect to all applicable federal laws and regulations, or standards established by the American Society for Testing and Materials, as the division does not possess the expertise or facilities for such responsibility;
- eliminate the requirement that a notice separate from any currently applicable federal notice accompany a retrofitted children's product when placed back in the stream of commerce, and the requirement that any notice be provided to customers upon the purchase of a retrofitted children's product;
- replace references to the Division of Youth and Family Services throughout the bill with references to the Department of Human Services, as the division is no longer responsible for the licensing and oversight of child care centers;
- require the Department of Human Services to post the list of unsafe children's products created by the Division of Consumer Affairs on its website, or provide an electronic link to the division's Internet posting of the list, instead of providing individual notifications to each child care center; and
- replace references to "child care facility" with "child care center," in order to more appropriately reference those child care centers licensed pursuant to the "Child Care Center Licensing Act."

This bill was pre-filed for introduction in the 2006-2007 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

ASSEMBLY, No. 2554

STATE OF NEW JERSEY

212th LEGISLATURE

INTRODUCED FEBRUARY 23, 2006

Sponsored by:
Assemblywoman VALERIE VAINIERI HUTTLE
District 37 (Bergen)
Assemblyman GARY S. SCHAER
District 36 (Bergen, Essex and Passaic)

SYNOPSIS

Concerns sale or lease of unsafe or recalled children's products.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/2/2006)

AN ACT concerning child product safety and supplementing P.L.1960, c.39 (C.56:8-1 et seq.) and P.L.1983, c.492 (C.30:5B-1 et seq.).

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

1. As used in this act:

"Children's product" means a product, including, but not limited to, a full-size crib, non-full-size crib, toddler bed, bed, car seat, chair, high chair, booster chair, hook-on chair, bath seat, gate or other enclosure for confining a child, play yard, stationary activity center, carrier, stroller, walker, swing, or toy or play equipment, that meets the following criteria:

- a. the product is designed or intended for the care of, or use by, a child; or
- b. the product is designed or intended to come into contact with a child while the product is used.

Notwithstanding any other provision of this section to the contrary, a product is not a "children's product" for the purposes of this act if it may be used by or for the care of a child, but it is designed or intended for use by the general population or segments of the general population and not solely or primarily for use by or for the care of a child, or it is a balloon, medication, drug, or food or is intended to be ingested.

"Commercial user" means any person who deals in children's products or who otherwise by one's occupation holds oneself out as having knowledge or skill peculiar to children's products, or any person who is in the business of remanufacturing, retrofitting, selling, leasing, subletting, or otherwise placing in the stream of commerce children's products.

"Crib" means a bed or containment designed to accommodate an infant.

"Full-size crib" means a full-size crib as defined in Sections 1508.1 and 1508.3 of title 16, Code of Federal Regulations regarding the requirements for full-size cribs.

"Infant" means any person less than 35 inches tall and less than three years of age.

"Non-full-size crib" means a non-full-size crib as defined in Section 1509.2 of title 16, Code of Federal Regulations regarding the requirements of non-full-sized cribs.

"Place in the stream of commerce" means to sell, offer for sale, give away, offer to give away, or allow the use of.

2. a. It shall be an unlawful practice for any commercial user to knowingly remanufacture, retrofit, sell, contract to sell or resell, lease, sublet, or otherwise place in the stream of commerce a children's product deemed unsafe in accordance with this section.

- b. A children's product is deemed to be unsafe for purposes of this section if it meets any of the following criteria:
- (1) it has been recalled for any reason by a federal agency or the product's manufacturer, distributor, or importer and the recall has not been rescinded; or
- (2) a federal agency has issued a warning that a specific product's intended use constitutes a safety hazard and the warning has not been rescinded.

- 3. a. The Division of Consumer Affairs in the Department of Law and Public Safety shall:
- (1) create, maintain, and update a comprehensive list of children's products that have been identified as meeting any of the criteria set forth in section 2 of P.L. , c. (C.) (pending before the Legislature as this bill); and
- (2) make the comprehensive list available to the public at no cost, including, but not limited to, posting the list on the Internet.
- b. The Division of Consumer Affairs shall not be liable for any civil damages as a result of any acts or omissions undertaken in good faith in the creation, maintenance or updating of the list of children's products in accordance with subsection a. of this section.

4. A children's product deemed unsafe in accordance with P.L., c. (C.) (pending before the Legislature as this bill) as a result of a recall or warning issued by a federal agency, may be retrofitted by the manufacturer if the retrofit has been approved by the federal agency issuing the recall or warning or another federal agency with the authority to approve the retrofit. A retrofitted children's product may be placed in the stream of commerce. A commercial user is responsible for maintaining a record of any notice provided by the manufacturer concerning a retrofitted children's product stating that the retrofit has been approved by the federal agency issuing the recall or warning or another federal agency with the authority to approve the retrofit.

- 5. a. A child care center licensed pursuant to P.L.1983, c.492 (C.30:5B-1 et seq.) may not use or have on its premises a children's product deemed unsafe in accordance with section 2 of P.L. , c. (C.) (pending before the Legislature as this bill). This subsection does not apply to an antique or collectible children's product if it is not used by, or accessible to, any child in the child care center.
- b. The Department of Human Services shall make the list created by the Division of Consumer Affairs regarding unsafe children's products pursuant to section 3 of P.L., c. (C.) (pending before the Legislature as this bill), available to child care centers by posting the list on the department's website or providing electronic access to the list through its website to the list's posting

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on the Internet by the Division of Consumer Affairs, so that child care centers may more effectively inspect children's products and identify unsafe children's products.

- c. (1) The department shall prepare a certification form and require each center to complete the certification form during the process of licensing, renewal, or periodic updating.
- (2) The department shall retain the certification form completed by each center in each respective center's licensing file.
 - d. Each child care center shall:
 - (1) as part of the licensing, licensing renewal, or periodic inspection process conducted by the department, certify in writing that it has reviewed the list created by the Division of Consumer Affairs regarding unsafe children's products pursuant to section 3 of P.L., c. (C.) (pending before the Legislature as this bill), and that there are no unsafe products in the center; and
 - (2) review the list periodically and make the list accessible to the center staff members and to parents of the children who attend the center.
 - e. The department may revoke or refuse to renew the license of any child care center, or refuse to issue a license to a center, should the center not comply with any section of P.L. , c. (C.) (pending before the Legislature as this bill).

- 6. a. Pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), the Director of the Division of Consumer Affairs in the Department of Law and Public Safety, may adopt rules and regulations to effectuate the purposes of sections 1 through 4 of this act.
- b. Pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), the Commissioner of Human Services shall adopt rules and regulations to effectuate the purposes of section 5 of this bill.

7. This act shall take effect on the 180th day after enactment.

STATEMENT

This bill stipulates that it shall be an unlawful practice under the consumer fraud act, P.L.1960, c.39 (C.56:8-1 et seq.), for any commercial user, to knowingly remanufacture, retrofit, sell, contract to sell or resell, lease or otherwise place in the stream of commerce a children's product, including cribs, high chairs, gates, and play equipment, deemed unsafe in accordance with the provisions of the bill, because the product is recalled for any reason by a federal agency or the product's manufacturer, distributor, or importer, or a federal agency issues a warning that the product's intended use constitutes a safety hazard.

Under the consumer fraud act, an unlawful practice is punishable by a monetary penalty of not more than \$10,000 for the first offense and not more than \$20,000 for any subsequent offense. In addition, a violation 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 an injured party.

A children's product deemed unsafe as a result of a recall or warning issued by a federal agency may be retrofitted by the manufacturer, if the retrofit has been approved by the federal agency issuing the recall or warning or by another federal agency with the authority to approve the retrofit. The retrofitted product may subsequently be placed in the stream of commerce. A commercial user is responsible for maintaining a record of any notice provided by the manufacturer concerning a retrofitted children's product stating that the retrofit has been approved by the federal agency issuing the recall or warning, or another federal agency with the authority to approve the retrofit.

Additionally, the bill directs the Division of Consumer Affairs in the Department of Law and Public Safety to create and maintain a list of unsafe children's products and to make the list available to the public at no cost, including, but not limited to, posting the list on the Internet. In doing so, the bill stipulates that the division shall not be liable for any civil damages as a result of any acts or omissions undertaken in good faith in its creation, maintenance, or updating of the list.

The bill further directs that child care centers licensed pursuant to the "Child Care Center Licensing Act," P.L.1983, c.492 (C.30:5B-1 et seq.), may not use or have on its premises a children's product deemed unsafe in accordance with the bill's provisions. The Department of Human Services shall make the list of unsafe children's products created by the Division of Consumer Affairs available to child care centers by posting the list on the department's website or providing electronic access to the list through its website to the list's posting on the Internet by the Division of Consumer Affairs. Such department action is intended to allow child care centers to more effectively inspect and identify any unsafe children's products. The department shall also prepare and utilize a certification form indicating each child care center's compliance with the bill's requirements.

ASSEMBLY CONSUMER AFFAIRS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2554

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 9, 2006

The Assembly Consumer Affairs Committee reports favorably and with committee amendments Assembly Bill No. 2554.

As amended, Assembly Bill No. 2554 makes it an unlawful practice for any commercial user to knowingly remanufacture, retrofit, sell, lease, or otherwise place in the stream of commerce children's products, including cribs, high chairs, gates, and play equipment, which are deemed unsafe under the provisions of the bill. The bill specifies that a product is deemed unsafe if:

- it has been recalled for any reason by a federal agency or the product's manufacturer, distributor, or importer; or
- a federal agency has issued, and not rescinded, a warning that the product's intended use constitutes a safety hazard.

Under the bill, a children's product deemed unsafe may be retrofitted by the manufacturer and placed in the stream of commerce if the retrofit has been approved by the federal agency issuing the recall or warning or by another federal agency with the authority to approve the retrofit. The bill requires commercial users to maintain records of any notice provided by manufacturers concerning retrofitted children's products, stating that the retrofits have been approved by the appropriate federal agencies.

In addition, the bill directs the Division of Consumer Affairs to create and maintain, and make available, a list of unsafe children's products. The bill specifies that the division may not be held liable for any civil damages resulting from any acts or omissions undertaken in good faith in the list's creation, maintenance, or updating.

The bill also prohibits child care centers from using or having unsafe children's products on their premises. Under the bill, the Department of Children and Families is directed to make the list of unsafe children's products, along with a certification form, available to child care centers so that the centers may identify any unsafe children's products and indicate their compliance with the provisions of this bill.

An unlawful practice under the Consumer Fraud Act 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 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.

COMMITTEE AMENDMENTS

At the sponsor's request, the committee amended the bill to:

- include a definition of "child" to mean a person less than 14 years of age;
- remove the definition of "infant," since the term is not used in the bill;
- replace references to the Department of Human Services with the new, more appropriate, Department of Children and Families; and
- update the effective date language.

As reported by the committee, this bill is identical to Senate Bill No. 265 [1R], as amended and reported by the committee on this same date.