SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 2427

STATE OF NEW JERSEY

DATED: NOVEMBER 3, 2022

The Senate Commerce Committee reports favorably Senate Bill No. 2427.

This bill requires a manufacturer of a recalled medical device to provide a replacement device or pay for a replacement device under certain circumstances.

Under the provisions of this bill, if a recall is issued that requires a consumer to stop using a medical device or to return a medical device to the manufacturer, the manufacturer is to provide a replacement medical device to a consumer at no cost, or, if no replacement is available from the manufacturer, to purchase a replacement medical device available from another manufacturer for the consumer. The bill provides that a manufacturer is to comply with the provisions of this section as soon as practicable but no later than 30 days after the recall is issued.

The bill defines "manufacturer" to mean a person engaged in the business of manufacturing or assembling medical devices.

A violation of the bill's provisions is an unlawful practice under the consumer fraud act, P.L.1960, c.39 (C.56:8-1 et seq.). 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. 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.