

Press Release



Commerce and Industry Association of New Jersey

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Governor Corzine Pocket Vetoes Trial-Lawyer Supported Expansion of Wrongful Death Act

Governor notes bill does not strike a “fair balance”

Paramus, New Jersey – The Commerce and Industry Association of New Jersey (CIANJ) applauded Governor Corzine today, following the Governor’s decision to not sign legislation which would expand New Jersey’s Wrongful Death Act. Refusing to sign the bill by noon today resulted in a “pocket veto”, meaning it will not become law.

The legislation (S-176/A-1511) would have allowed the families of wrongful death victims to sue for unlimited damages for mental anguish. CIANJ opposed the measure, which would likely have yielded higher insurance premiums and made New Jersey a destination state for class action lawsuits.

“Today the governor recognized the serious pitfalls of unlimited damages for emotional grief and took the appropriate action.” said CIANJ President John Galandak. “Had insurance companies been forced to account for the additional exposure which comes with unlimited damages, they would have likely increased cash reserves. That means higher insurance premiums for us all.”

Currently, only eight states allow unlimited damages for emotional grief. Making New Jersey the ninth would have made it a favorable destination for plaintiff attorneys looking to “venue shop”, clogging the NJ courthouses. One New Jersey jurisdiction, Atlantic County, was already named a “Judicial Hellhole” by the American Tort Reform Foundation. A recent survey of NJ business leaders (attached), conducted by the New Jersey Lawsuit Reform Alliance, found that 89 percent of business executives strongly agreed or agreed that lawsuits raise the prices that consumers pay for products and services.

“Businesses have already reported that NJ’s legal climate is increasing prices for consumers. The legislature should be working to improve that condition, not worsen it with limitless awards.” Galandak concluded.

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