



National Association of Consumer Agency Administrators

NACAA POLICY RESOLUTION
JUNE 30, 2004
CONSUMER CLASS ACTION LAWSUITS

WHEREAS: A bill in the United States Senate, S.2062, which would move consumer class action lawsuits from state to federal courts, is expected to be passed by the U.S. Senate during the week of July 6, 2004;

WHEREAS: Nationwide class actions based on uniform state laws, which have brought millions of dollars in refunds to consumers for defective products, overcharges, and other illegal practices, have heretofore been processed by state courts but would no longer be subject to state court jurisdiction after passage of S.2062;

WHEREAS: Federal courts to which most consumer cases would be diverted by S. 2062, have declined to certify nationwide class actions based on state laws, deeming them "unmanageable;"

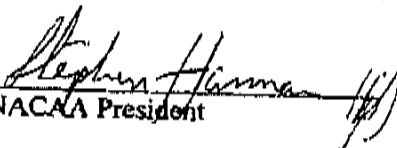
WHEREAS: The continued refusal of federal courts to certify nationwide state-law consumer classes would require the prosecution of separate lawsuits in each of fifty states' federal courts to ensure that every American has full access to refunds for consumer fraud; in many small and sparsely-populated states, there would often be insufficient money at stake to justify separate litigation of complex claims; and for fraudulent practices involving relatively small numbers of people dispersed across the county, single-jurisdiction suits may not be viable in even the largest states;

WHEREAS: At the urging of several consumer advocacy groups and nationally-prominent law professors, Senator Jeff Bingaman, (D-NM) has offered an amendment to allow nationwide class actions to proceed in federal court when appropriate;

NOW THEREFORE BE IT RESOLVED that the National Association of Consumer Agency Administrators:

1. Endorses Senator Bingaman's efforts to amend S. 2062 to allow certification of nationwide class actions based on uniform state consumer protection laws.
2. Joins the consumer voices of the Consumer Federation of America, Consumers' Union, Public Citizen and others to oppose S. 2062 in its present form.
3. Authorizes the Executive Director, the NACAA Board and Officers to transmit this resolution to an entity or individuals who is empowered to draft or enact relevant laws, rules, regulations, or who enforces the same.

Date: June 30, 2004


 NACAA President

Two Brentwood Commons, Suite 150 • 750 Old Hickory Boulevard • Brentwood, TN 37027
 Toll-Free 1-866-SAY-NACAA • Phone 615-371-6125 • Fax 615-369-6225 • www.nacaa.net