

FORMAL OPINION

In sum, therefore, it is our opinion that a proposed craps tournament to be held at Resorts International is a form of gambling prohibited by the provisions of the Penal Code.

Very truly yours,
JAMES R. ZAZZALI
Attorney General

By: THEODORE A. WINARD
Assistant Attorney General

April 14, 1982

JAMES BARRY, *Director*
Division of Consumer Affairs
1100 Raymond Boulevard
Newark, New Jersey 07102

FORMAL OPINION NO. 1—1982

Dear Director Barry:

You have asked for an opinion as to the effective date of the Plain Language Act with respect to those consumer contracts subject to the federal Truth in Lending Act. For the following reasons, you are advised that the effective date of the Plain Language Act with respect to that category of consumer contracts is November 30, 1982.

Amendments to the Plain Language Act were signed into law on January 11, 1982, Laws of 1981, c. 464. Section 11 of the Act is pertinent to your inquiry and provide in part:

This act shall take effect April 15, 1982 but with respect to consumer contracts which are subject to the federal Truth in Lending Act (P.L. 90-321, 15 U.S.C. §1601 et seq.), this act shall take effect 60 days after the next revision of regulations made pursuant to that act or April 15, 1982, which ever is later. . . .

Since the amendment is structured to “take effect 60 days after the next revision of regulations made pursuant to that act . . .”, it is necessary to discern the probable legislative intent behind the meaning of that phrase. There is no legislative history which provides any clarification. Therefore, the Act should be construed sensibly and in light of developments at the federal level with regard to the promulgation of regulations under the federal Truth in Lending Act.

The Truth in Lending Act (15 U.S.C. §1601 et seq.) was amended by Congress on April 1, 1980. The Federal Reserve System published revised regulations in the Federal Register on April 7, 1981 (12 C.F.R. Part 226). The proposed mandatory effective date of the revised regulations was determined to be April 1, 1982. On December 26, 1981, however, President Reagan signed into law an amendment to the Act which delayed the

ATTORNEY GENERAL

effective date of the federal law until October 1, 1982 (P.L. 97-110). The Federal Reserve System then deferred the anticipated mandatory effective date for the revised regulations from April 1, 1982 until October 1, 1982 (47 F.R. 755 January 7, 1982). No other revised federal regulations have been proposed since April 7, 1981 and there are no other anticipated revisions to be made to those regulations in the foreseeable future.

It is instructive to note that amendments to the federal Truth in Lending Act were under consideration in Congress at the same time an amendment to the Plain Language Act was being considered by the legislature. The Plain Language Act does not provide that the Act become effective 60 days after April 1, 1982 which was the initial effective date for the federal regulations. Rather, it must be assumed that the legislature was concerned that changes in federal regulations were a possibility when it referred to "the next revision of regulations." Since there have been no other "revision of regulations" or anticipated "revision of regulations" other than a delay in the mandatory effective date of the revised regulations, it is fair to conclude that the Plain Language Act becomes operative with regard to those consumer transactions 60 days after the new mandatory effective date for those revised regulations.

Moreover, the Plain Language Act must be construed sensibly and in a manner to avoid anomalous or absurd results. *Planned Parenthood v. State*, 75 N.J. 49 (1977), *Monmouth County v. Wissel*, 68 N.J. 35 (1975), *Roman v. Sharper*, 53 N.J. 338 (1979), *State v. Gill*, 47 N.J. 44 (1966). It cannot be seriously contended that the 60 day period commences when the Federal Reserve System again prepares new revised regulations. The Act would in that case be rendered a nullity because its implementation would with respect to that category of consumer transaction would be indefinitely delayed.

An interpretation that the effective date is November 30, 1982 is supported by the overall purpose of the Plain Language Act. The delay in implementation for that category of consumer contracts was undoubtedly enacted to avoid conflicts and confusion between the requirements of state and federal law. The presumed legislative purpose was to avoid confusion and promote better understanding by deferring the effective date of the Plain Language Act until 60 days after the effective date of revisions to federal regulations. Since those regulations become effective on a mandatory basis on October 1, 1982, requirements of the Plain Language Act should take effect on November 30, 1982.

In conclusion, you are advised that the Plain Language Act should take effect on November 30, 1982 with respect to consumer contracts subject to the federal Truth in Lending Act.

Very truly yours,
IRWIN I. KIMMELMAN
Attorney General

By: THOMAS W. GREELISH
First Assistant Attorney General