HOUSE RESEARCH _______ Bill Summary _

FILE NUMBER: Version:	H.F. 211 DATE Delete-everything amendment (H0211DE1	: February 7, 2011
Authors:	Wardlow and others	
Subject:	Unlawful or deceptive trade practices; class action suits	
Analyst:	Matt Gehring, 651-296-5052	

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd.

Overview

This bill specifies standards for damage awards resulting from violations of a number of consumer protection laws, and enacts a statutory right of appeal of orders related to certification of a class in class action suits.

Section

- **1 Private remedies.** Enacts a cross-reference to conform to a new subdivision enacted in section 2 of the bill.
- 2 Private remedies; unlawful trade practices, consumer fraud, and false advertising. Requires proof of detrimental reliance on an alleged deceptive, false, or misleading act, practice, statement, or omission before damages may be recovered for violation of certain consumer fraud, deceptive trade practice, or false advertising laws.

In this context, detrimental reliance will typically require a consumer to have made a purchase after a misrepresentation or some other wrongful act by the seller motivated the consumer to do so. The bill requires that the detrimental reliance include an out-of-pocket loss before damages may be awarded.

This section would apply to actions filed beginning the day following final enactment of the bill.

3 Class action certification; interlocutory appeals. Permits a court's order related to certification of a class in a class action suit to be appealed. Existing court rules permit appeal of class certification orders upon application of a party in the case, but the Court of Appeals is not required to hear the appeal.

If an order related to class certification is appealed, proceedings on that suit in district court are automatically stayed while the appeal is pending. A party may file a motion to have the stay fully or partially lifted for good cause.

This section would apply to court orders related to class certification issued on or after July 1, 2011.