

Date: October 3, 2007
Initiative No. 07-0044

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

CLASS ACTION LAWSUITS. NON-PROFIT ORGANIZATIONS AS PLAINTIFFS.

STATUTE. Allows certain non-profit organizations to sue to enforce unfair business competition laws regardless of whether the organization or its members have been injured.

Requires court to find settlements of class action lawsuits provide “meaningful” relief. Allows for the most effective and least costly form of notice to class members. Exempts notice to class members and changes certification requirements when lawsuit seeks injunctive, and not

financial, relief. Requires twenty-five percent of punitive damages awarded in class action lawsuits be paid to the state to enforce specific laws. Summary of estimate by Legislative

Analyst and Director of Finance of fiscal impact on state and local government: Unknown fiscal impact on state revenues from court filing fees and the cost of court operations. Unknown net increase in state revenues, potentially up to the low tens of millions of dollars in some years, from providing a 25 percent share of punitive damage awards from class action cases to the state.

(Initiative 07-0044.)