

STATE OF NEW YORK

819

2017-2018 Regular Sessions

IN SENATE

January 5, 2017

Introduced by Sen. FUNKE -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection

AN ACT to amend the general business law, in relation to requirements for the renewal of magazine subscriptions

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision 5 of section 335-a of the general business law
2 is renumbered subdivision 6 and a new subdivision 5 is added to read as
3 follows:

4 5. (a) It shall be unlawful for any publisher of a magazine sold by
5 subscription or any person, firm, association or corporation engaged in
6 business, the principal purpose of which is to regularly solicit maga-
7 zine subscription orders for delivery in this state through the mail for
8 profit, to charge a consumer's credit or debit card or the consumer's
9 account with a third party for an automatic renewal or continuous
10 service before both of the following:

11 (i) the consumer's affirmative consent to the agreement that it will
12 be automatically renewed or continued; and

13 (ii) clear and conspicuous disclosure of the automatic renewal or
14 continuous service terms, cancellation policy, and how to cancel in a
15 manner that is capable of being retained by the consumer.

16 (b) A publisher or business entity making automatic renewal or contin-
17 uous service offers shall provide a toll-free telephone number, elec-
18 tronic mail address, a postal address only when the seller directly
19 bills the consumer, or another cost-effective, timely, and easy-to-use
20 mechanism for cancellation.

21 (c) In the case of a material change in the terms of the automatic
22 renewal or continuous service offer that has been accepted by a consumer
23 in this state, the publisher or business entity shall provide the
24 consumer with a clear and conspicuous notice of the material change and
25 provide information regarding how to cancel.

26 § 2. This act shall take effect on the ninetieth day after it shall
27 have become a law.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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