STATE OF NEW YORK

2672

2025-2026 Regular Sessions

IN SENATE

January 22, 2025

Introduced by Sen. MAY -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the general business law, in relation to increasing the notice of cancellation requirements for automobile broker businesses

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

Section 1. Subdivision 2 of section 738 of the general business law, as added by chapter 616 of the laws of 1988, the opening paragraph as amended by a chapter of the laws of 2024 amending the general business law and the vehicle and traffic law relating to automobile broker businesses, as proposed in legislative bills numbers S. 7553-A and A. 3499-B, is amended to read as follows:

2. The contract shall be accompanied by a completed form in duplicate, captioned "Notice of Cancellation" which shall be attached to the contract and easily detachable, and which shall contain in at least twelve point type the following:

"Notice of Cancellation"

"You may cancel this contract, without any penalty or obligation, within three days from the date that a copy of an executed contract is received by you **or until the automobile described in Section ( ) of this contract has been delivered to you, whichever is sooner, provided that if the automobile is not delivered to you in accordance with this contract within thirty days of the estimated delivery date, you may cancel this contract and receive a full refund, unless the delay in delivery is attributable to you. Additionally, you may cancel this contract, without any penalty or obligation, for other grounds under New York State law, including but not limited to the rights enumerated in Section 738 of the New York State General Business Law**.

To cancel this contract, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, to

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

LBD02685-01-5

(_____) at (_____)
name of automobile broker business address

[~~not later than midnight of the third day following your receipt of a signed contract~~] **within the applicable timeframe**.

I hereby cancel this transaction."

_____
(signature of consumer)

_____
(date)

§ 2. Paragraph (e) of subdivision 1 of section 741-a of the general business law, as amended by a chapter of the laws of 2024 amending the general business law and the vehicle and traffic law relating to automobile broker businesses, as proposed in legislative bills numbers S. 7553-A and A. 3499-B, is amended to read as follows:

(e) That the automobile broker business is not affiliated with any [~~manufacturer, dealership, or dealership group~~] **dealer, as defined in section four hundred fifteen of the vehicle and traffic law, or any motor vehicle franchisor, manufacturer, or distributor as defined in section four hundred sixty-two of the vehicle and traffic law**.

§ 3. This act shall take effect on the same date and in the same manner as a chapter of the laws of 2024 amending the general business law and the vehicle and traffic law relating to automobile broker businesses, as proposed in legislative bills numbers S. 7553-A and A. 3499-B, takes effect.