S T A T E O F N E W Y O R K

7296--A

Cal. No. 500

I N S E N A T E

March 29, 2010

Introduced by Sens. PERALTA, SAVINO -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection -- reported favorably from said committee and committed to the Committee on Codes -- reported favorably from said committee, ordered to first and second report, amended on second report, ordered to a third reading, and to be reprinted as amended, retaining its place in the order of third reading

AN ACT to amend the general business law, in relation to prohibiting an additional fee or rate to be charged in certain circumstances

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The general business law is amended by adding a new section 399-zzz to read as follows:

S 399-ZZZ. PROHIBITION OF CERTAIN FEE CHARGES. 1. SUBJECT TO FEDERAL LAW AND REGULATION, NO PERSON, PARTNERSHIP, CORPORATION, ASSOCIATION OR OTHER BUSINESS ENTITY SHALL CHARGE A CONSUMER AN ADDITIONAL RATE OR FEE OR A DIFFERENTIAL IN THE RATE OR FEE ASSOCIATED WITH PAYMENT ON AN ACCOUNT WHEN THE CONSUMER CHOOSES TO PAY BY UNITED STATES MAIL OR RECEIVE A PAPER BILLING STATEMENT. THIS SUBDIVISION SHALL NOT BE CONSTRUED TO PROHIBIT A PERSON, PARTNERSHIP, CORPORATION, ASSOCIATION OR OTHER BUSINESS ENTITY FROM OFFERING CONSUMERS A CREDIT OR OTHER INCENTIVE TO ELECT A SPECIFIC PAYMENT OR BILLING OPTION.

2. EVERY VIOLATION OF THIS SECTION SHALL BE DEEMED A DECEPTIVE ACT AND PRACTICE SUBJECT TO ENFORCEMENT UNDER ARTICLE TWENTY-TWO-A OF THIS CHAPTER.

3. NOTHING IN THIS SECTION SHALL BE CONSTRUED TO RESTRICT ANY RIGHT WHICH ANY PERSON MAY HAVE UNDER ANY OTHER STATUTE OR THE COMMON LAW.

S 2. This act shall take effect on the one hundred eightieth day after it shall have become a law.

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

LBD14742-05-0