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

9821--A

I N A S S E M B L Y

May 23, 2014

Introduced by M. of A. CRESPO, SEPULVEDA, ROSA, DAVILA, RAMOS, PICHARDO, ARROYO, RIVERA -- read once and referred to the Committee on Consumer Affairs and Protection -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general business law, in relation to requiring cell phone service providers to prominently inform cell phone users prior to ending contracts

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

Section 1. This act shall be known and may be cited as the "cellular telephone service consumer's option act of 2014".

S 2. The general business law is amended by adding a new section 399-zz-1 to read as follows:

S 399-ZZ-1. PROVIDER NOTIFICATION PRIOR TO THE EXPIRATION OF A CONTRACT. 1. CELL PHONE SERVICE PROVIDERS SHALL PROMINENTLY INFORM CELL PHONE USERS NINETY DAYS PRIOR TO THE END OF A CONTRACT DATE THE FOLLOWING: "YOUR SERVICE CONTRACT WITH OUR COMPANY WILL BE OVER IN NINETY DAYS. IF YOU DECIDE NOT TO CONTINUE OR RENEW A CONTRACT WITH US, YOU ARE NOW INFORMED THAT YOU HAVE THE RIGHT TO HAVE YOUR SMART CELL PHONE UNLOCKED WHEN YOUR CONTRACT EXPIRES. IF YOU WISH TO UNLOCK YOUR CELL PHONE, PLEASE STOP IN TO ONE OF OUR CUSTOMER SERVICE LOCATIONS OR CALL OUR CUSTOMER SERVICE NUMBER FOR MORE INFORMATION."

2. CELL PHONE SERVICE PROVIDERS SHALL PROMINENTLY INFORM CELL PHONE USERS SIXTY DAYS PRIOR TO THE END OF A CONTRACT DATE THE FOLLOWING: "YOUR SERVICE CONTRACT WITH OUR COMPANY WILL BE OVER IN SIXTY DAYS. IF YOU DECIDE NOT TO CONTINUE OR RENEW A CONTRACT WITH US, YOU ARE NOW INFORMED THAT YOU HAVE THE RIGHT TO HAVE YOUR SMART CELL PHONE UNLOCKED WHEN YOUR CONTRACT EXPIRES. IF YOU WISH TO UNLOCK YOUR CELL PHONE, PLEASE STOP IN TO ONE OF OUR CUSTOMER SERVICE LOCATIONS OR CALL OUR CUSTOMER SERVICE NUMBER FOR MORE INFORMATION."

3. CELL PHONE SERVICE PROVIDERS SHALL PROMINENTLY INFORM CELL PHONE USERS THIRTY DAYS PRIOR TO THE END OF A CONTRACT DATE THE FOLLOWING: "YOUR SERVICE CONTRACT WITH OUR COMPANY WILL BE OVER IN THIRTY DAYS. IF YOU DECIDE NOT TO CONTINUE OR RENEW A CONTRACT WITH US, YOU ARE NOW

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

LBD13696-02-4

INFORMED THAT YOU HAVE THE RIGHT TO HAVE YOUR SMART CELL PHONE UNLOCKED WHEN YOUR CONTRACT EXPIRES. IF YOU WISH TO UNLOCK YOUR CELL PHONE, PLEASE STOP IN TO ONE OF OUR CUSTOMER SERVICE LOCATIONS OR CALL OUR CUSTOMER SERVICE NUMBER FOR MORE INFORMATION."

4. THERE SHALL BE NO TIME LIMIT SET BY CELL PHONE SERVICE PROVIDERS PROHIBITING CUSTOMERS FROM HAVING THEIR PHONES UNLOCKED ONCE THEIR SERVICE CONTRACT HAS EXPIRED. ALL THAT IS NEEDED TO UNLOCK CUSTOMERS' PHONES SHALL BE THEIR ACCOUNT NUMBERS OR COPIES OF SERVICE BILLS.

5. CELL PHONE SERVICE PROVIDERS SHALL INFORM CELL PHONE USERS WHO BUY OUT THEIR CONTRACTS, THAT AT THE TIME OF THEIR BUY OUT THEY ARE ELIGIBLE TO HAVE THEIR SMART CELL PHONE UNLOCKED. FOR PURPOSES OF THIS SECTION "BUY OUT" SHALL MEAN THE PERIOD WHERE A USER ENDS THEIR CELL PHONE CONTRACT PRIOR TO THE END OF THE CONTRACT DATE AND PAYS OFF ANY OUTSTANDING BALANCE DUE ON THEIR CONTRACT.

S 3. This act shall take effect immediately.