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

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I N A S S E M B L Y

June 2, 2014

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Ortiz) -- read once and referred to the Committee on Consumer Affairs and Protection

AN ACT to amend the public service law, in relation to requiring disclosure terms relating to prepaid calling cards to be provided in languages other than English and increasing fines for violations of disclosure requirements

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

Section 1. Section 92-f of the public service law is amended by adding a new subdivision 3-a to read as follows:

3-A. A. IF A LANGUAGE OR LANGUAGES OTHER THAN ENGLISH IS USED ON A PREPAID TELEPHONE CALLING CARD, ITS PACKAGING, OR IN POINT OF SALE ADVERTISING, OR PROMOTIONAL MATERIAL RELATING TO A PREPAID CALLING CARD OR PREPAID TELEPHONE CALLING SERVICE, ALL DISCLOSURE REQUIRED PURSUANT TO THE PROVISIONS OF THIS SECTION SHALL BE PROVIDED IN THE SAME LANGUAGE OR LANGUAGES, IN ADDITION TO ENGLISH. ALL NON-ENGLISH DISCLOSURE PROVISIONS SHALL BE CLEARLY PRINTED IN A CLEAR AND CONSPICUOUS LOCATION ON THE CALLING CARD ITSELF, OR IF THE CALLING CARD IS PACKAGED IN OPAQUE PACKING, ON THE PACKAGING.

B. AS USED IN THIS SUBDIVISION, "PROMOTIONAL MATERIAL" INCLUDES ALL MATERIALS PREPARED BY THE COMPANY THAT PROVIDES PREPAID CALLING SERVICES THROUGH PREPAID CALLING CARDS AND ANY SIGNS FOR DISPLAY BY RETAIL MERCHANTS OR ANY OTHER PROMOTIONAL MATERIAL THAT IS PREPARED AT THE DIRECTION OF THE PREPAID CALLING SERVICE.

C. IF THE CALLING CARD IS PURCHASED ON THE INTERNET, THE DISCLOSURE REQUIREMENTS SHALL BE DISPLAYED IN A CLEAR AND CONSPICUOUS LOCATION ON THE WEBSITE THROUGH WHICH THE CALLING CARD IS PURCHASED, INCLUDING INSTRUCTIONS AND DIRECTIONS TO ANY LINK WITH SUCH DISCLOSURES, PRIOR TO PURCHASING THE SERVICES.

S 2. Subdivision 3 of section 92-f of the public service law, as added by chapter 651 of the laws of 1999, is amended to read as follows:

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

LBD00472-01-3

3. Any company that provides prepaid calling services through prepaid calling cards shall print legibly on each card or packaging the following information:

a. any surcharges or fees, including monthly fees, per-call access fees, or surcharges for the first minute of use that may be applicable to the use of the prepaid calling card or prepaid calling services within the United States;

b. any additional or different prices, rates, or unit values applicable to international usage of the prepaid calling card or prepaid calling services;

c. any minimum charge per call, such as a three minute minimum charge;

d. any charge for calls that do not connect; [and,]

e. any recharge policy[.];

F. IF APPLICABLE, THE EXPIRATION DATE OR OTHER LIMITATION ON THE PERIOD OF TIME FOR WHICH THE DISPLAYED, PROMOTED, OR ADVERTISED MINUTES WILL BE AVAILABLE TO THE CUSTOMER; AND

G. ANY CONNECTION OR DISCONNECTION FEE OR ANY SURCHARGE ASSOCIATED WITH THE CALLING CARD THAT IS NOT PART OF THE STANDARD RATE ASSOCIATED WITH EACH MINUTE USED BY THE CARD.

S 3. Subdivision 8 of section 92-f of the public service law, as added by chapter 651 of the laws of 1999, is amended to read as follows:

8. Enforcement. The commission shall have the power, consistent with federal law, to assess a penalty not to exceed [one] FIVE thousand dollars against any company that provides prepaid calling cards or services that knowingly fails or neglects to comply with any provision of this section or any regulation or order of the commission implementing or enforcing the provisions of this section FOR A FIRST VIOLATION AND TEN THOUSAND DOLLARS FOR A SECOND OR SUBSEQUENT VIOLATION. All moneys recovered from any administrative penalty shall be paid into the state treasury to the credit of the general fund.

S 4. This act shall take effect on the one hundred twentieth day after it shall have become a law.