

5108

2015-2016 Regular Sessions

I N   S E N A T E

May 1, 2015

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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, CANCELTION 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    S 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.

LBD02815-01-5