

STATE OF NEW YORK

7941

2017-2018 Regular Sessions

IN ASSEMBLY

May 22, 2017

Introduced by M. of A. GALEF, ROSENTHAL, ENGLEBRIGHT, WEPRIN, SEAWRIGHT
-- read once and referred to the Committee on Consumer Affairs and
Protection

AN ACT to amend the general business law, in relation to availability
for sale of advertised merchandise

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

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

§ 397-b. Availability for sale of advertised merchandise. 1. A
retailer who advertises an article of merchandise for sale at a price
which is reduced, in good faith, to a price below the price such arti-
cles are usually sold or offered for sale for in the store, and does not
have such article available throughout the advertised period shall, on
the request of a purchaser of such article, offer to issue a raincheck
unless one or more of the following situations exists:

(a) The advertisement is made in relation to mail order merchandise
as regulated by section three hundred ninety-six-m of this article.

(b) The advertisement is of an article that is one of a kind and the
advertisement clearly and conspicuously states such fact.

(c) The advertisement clearly and conspicuously states the specific
quantity of the article available at the outset of the sale.

(d) The advertisement clearly and conspicuously states that a rain-
check is not available. This exclusion may only be used if the article
will not be offered for sale for at least one hundred twenty days from
the expiration date of the advertisement.

(e) Products defined in subdivision three of section two of the agri-
culture and markets law shall be excluded from the provisions of this
section, provided, however, that any retailer offering for sale or sell-
ing such products may issue rainchecks pursuant to this section.

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

LBD02417-01-7

1 2. A raincheck issued pursuant to subdivision one of this section
2 shall entitle the holder to purchase, at the store issuing such rain-
3 check, the advertised article at the advertised price within sixty days
4 from the date of issuance or for a period of ten business days from the
5 first date of availability of the article, whichever shall be later.

6 The issuance of such raincheck shall constitute an agreement on the
7 part of the seller to supply such article at such price. Nothing
8 contained herein shall prohibit a seller from offering a similar article
9 of equal or greater value either during the period covered by such
10 advertisement of the article or within sixty days from the date of issu-
11 ance of the raincheck, or the seller and purchaser from agreeing to
12 lengthen the redemption period of such raincheck. If the purchaser
13 accepts substitution, such substitution shall constitute compliance with
14 the provisions of subdivision one of this section.

15 3. The raincheck shall include at least the following information:

16 (a) Name, address and telephone number of the issuer.

17 (b) Date of issuance.

18 (c) Last date that the raincheck can be redeemed.

19 (d) Name, description and quantity desired of the article.

20 (e) The advertised price.

21 4. The raincheck shall contain the following notice:

22 You may redeem this raincheck for the advertised item described on the
23 other side within sixty days of issuance or for a period of ten business
24 days from the first date of availability of the item, whichever shall be
25 later.

26 You will pay only the advertised price for the item.

27 You are under no obligation to buy the item.

28 5. It shall be an affirmative defense to an alleged violation of this
29 section that the seller was unable to honor a raincheck within the
30 redemption period because such seller did not receive a reorder of the
31 advertised article from a supplier through no fault of the seller
32 provided, however, that the seller must maintain records sufficient to
33 show that the advertised sale items were reordered in adequate time for
34 delivery and in sufficient quantity to fulfill raincheck obligations.

35 6. This section shall not apply to a purchase for resale.

36 7. Nothing in this section shall be construed to relieve the seller
37 from any other provision of law prohibiting the advertising of goods or
38 services with the intent not to meet reasonably expected demand.

39 8. No purchaser shall be required to prepay the purchase price or any
40 part thereof in order to obtain a raincheck.

41 9. Nothing in this section shall be construed to restrict the power of
42 any county, city, town or village to adopt and enforce additional local
43 laws, ordinances, or regulations which exceed the minimum applicable
44 standards in this section.

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