

# STATE OF NEW YORK

758

2019-2020 Regular Sessions

## IN SENATE

(Prefiled)

January 9, 2019

Introduced by Sen. KENNEDY -- 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 the prohibition of the installation of starter interrupt devices on certain new and used motor vehicles

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

1 Section 1. The general business law is amended by adding a new article  
2 11-C to read as follows:

### ARTICLE 11-C

#### STARTER INTERRUPT DEVICE INSTALLATION PROHIBITED

##### Section 199-o. Definitions.

##### 199-p. Violations.

##### 199-q. Exceptions.

##### 199-r. Civil penalty.

##### 199-s. Rules and regulations.

##### 199-t. Enforcement by attorney general.

11 § 199-o. Definitions. The following terms when used in this article,  
12 shall have the following meanings:

13 1. "Dealer" as defined in section four hundred fifteen of the vehicle  
14 and traffic law.

15 2. "Motor vehicle" as defined in section one hundred twenty-five of  
16 the vehicle and traffic law and excluding class A, B and C limited use  
17 motorcycles as defined in section one hundred twenty-one-b of the vehi-  
18 cle and traffic law.

19 3. (a) "Starter interrupt device" shall mean a device which tracks a  
20 motor vehicle purchaser's or lessee's scheduled payments under a financ-  
21 ing or lease agreement and prevents the vehicle from starting if a sche-  
22 duled payment is not received by its due date or within any applicable  
23 grace period. Such device typically requires the consumer to enter a

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

LBD02703-01-9

1 code for each payment period in order to continue operating the vehicle.  
2 The consumer receives the payment codes that will allow the vehicle to  
3 continue to start from the creditor when payment is tendered. Such  
4 device may include a Global Positioning System (GPS) tracking capabili-  
5 ty. GPS tracking devices that are separate from, and independent of,  
6 starter interrupt devices shall be exempt from this prohibition.

7 (b) "Starter interrupt device" shall not mean any ignition interlock  
8 device whose installation and use is mandated by court order, or any  
9 ignition interlock device whose sole purpose is to prevent driving under  
10 the influence or reporting attempted driving under the influence. "Star-  
11 ter interrupt device" shall not mean any after market consumer-installed  
12 or manufacturer-installed remote disabling device, provided that these  
13 devices shall only be used in the event of theft by a third party and  
14 not for purposes of repossession by a lender or seller. Buyers may not  
15 consent to use these devices for the purposes of repossession.

16 § 199-p. Violations. No new or used motor vehicle dealer or lender  
17 shall be permitted to install a starter interrupt device on a motor  
18 vehicle purchaser's or lessee's motor vehicle.

19 § 199-q. Exceptions. The provisions of this article shall not apply to  
20 any rental vehicle company as defined in paragraph (c) of subdivision  
21 one of section three hundred ninety-six-z of this chapter.

22 § 199-r. Civil penalty. A knowing violation of this section shall be  
23 punishable by a fine not to exceed five thousand dollars.

24 § 199-s. Rules and regulations. The commissioner of the department of  
25 motor vehicles, in conjunction with the attorney general, shall promul-  
26 gate such rules and regulations as shall be necessary to implement the  
27 provisions of this article.

28 § 199-t. Enforcement by attorney general. Whenever there shall be a  
29 violation of this article, an application may be made by the attorney  
30 general in the name of the people of the state of New York to a court of  
31 competent jurisdiction by a special proceeding for the imposition of a  
32 fine and the issuance of an injunction against any violation of this  
33 article, upon notice to the defendant of not less than five days, to  
34 enjoin and restrain the continuance of such violations; and if it shall  
35 appear to the satisfaction of the court or justice that the defendant  
36 has, in fact, violated this article, an injunction may be issued by such  
37 court or justice, enjoining and restraining any further violation, with-  
38 out requiring proof that any person has, in fact, been injured or  
39 damaged thereby. In any such proceeding, the court may make allowances  
40 to the attorney general as provided in paragraph six of subdivision (a)  
41 of section eighty-three hundred three of the civil practice law and  
42 rules, and direct restitution. Whenever the court shall determine that a  
43 violation of this article has occurred, the court shall impose a civil  
44 penalty of not more than five thousand dollars for each violation. In  
45 connection with any such proposed application, the attorney general is  
46 authorized to take proof and make a determination of the relevant fact  
47 and to issue subpoenas in accordance with the civil practice law and  
48 rules.

49 § 2. This act shall take effect on the one hundred eightieth day after  
50 it shall have become a law. Effective immediately, the addition, amend-  
51 ment and/or repeal of any rule or regulation necessary for the implemen-  
52 tation of this act on its effective date are authorized and directed to  
53 be made on or before such effective date.