STATE OF NEW YORK

1606

2021-2022 Regular Sessions

IN ASSEMBLY

January 11, 2021

Introduced by M. of A. CARROLL -- read once and referred to the Committee on Consumer Affairs and Protection

AN ACT to amend the general business law, in relation to prohibiting the charging of membership fees during a state disaster emergency

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

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

§ 399-vv. Prohibition of membership fee charges. 1. During a state disaster emergency, declared pursuant to article 2-B of the executive law, no person, partnership, corporation, association or other business entity shall charge a consumer any contracted membership fee when, due to such state disaster emergency:

(a) the contracted service has ceased, partially or fully;

(b) the contracted service has been rendered impossible or illegal;

(c) the non-use of a facility or premises, or the non-rendering or the non-use of a contracted service, has frustrated the purpose of the contract; or

(d) a consumer would experience and demonstrates financial hardship if he or she were to pay such membership fee.

2. Every violation of this section shall be punishable by a civil penalty not to exceed one thousand dollars.

3. Nothing in this section shall be construed to restrict any right which any person may have under any other statute or the common law.

§ 2. This act shall take effect immediately.

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

LBD05445-01-1