

STATE OF NEW YORK

6663--A

2025-2026 Regular Sessions

IN ASSEMBLY

March 7, 2025

Introduced by M. of A. LEE, STECK, KELLES, GONZALEZ-ROJAS, COLTON, MAGNARELLI, GLICK, OTIS, DAVILA, McDONOUGH -- read once and referred to the Committee on Consumer Affairs and Protection -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general business law, in relation to clear and conspicuous pricing practices regarding mandatory junk fees

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

1 Section 1. Short title. This act shall be known and may be cited as
2 the "New York junk fee prevention act".

3 § 2. The general business law is amended by adding a new section 396-
4 yy to read as follows:

5 § 396-yy. Junk fee prevention. 1. For the purposes of this section,
6 the following terms shall have the following meanings:

7 (a) (i) "Mandatory fee" includes any fee or surcharge, additional to
8 the price of a good or service, that:

9 (A) a consumer is required to pay to purchase or lease any good or
10 service being advertised;

11 (B) is not reasonably avoidable to complete the purchase or lease of
12 any good or service being advertised;

13 (C) a reasonable consumer would expect to be included with the
14 purchase or lease of the good or service being advertised; or

15 (D) is added by default for the consumer, by the seller or automat-
16 ically, and requires action by the consumer to remove it;

17 (ii) "Mandatory fee" shall not include:

18 (A) any tax, duty, fee or custom levied by any local, state, federal,
19 or other governmental or quasi-governmental entity, as well as any
20 assessment fee of a government-created special district, including busi-
21 ness improvement districts and tourism improvement districts;

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

LBD00734-05-5

1 (B) any fee covering the cost of delivering goods, the amount of which
2 is based upon the delivery method selected by the consumer, provided
3 that such amount is disclosed to the consumer prior to collecting
4 payment information;

5 (C) any nominal fee for the purpose of pre-authorizing a transaction
6 that is immediately refunded or removed upon the charge of the full
7 purchase amount; or

8 (D) any optional add-ons or add-on product or service as defined by 16
9 CFR part 463(a).

10 (b) "Total price" shall mean the full price of a good or service that
11 a consumer must pay, including any and all mandatory fees associated
12 with the transaction, but not including any exemptions to mandatory fees
13 pursuant to subdivision one of this section, in order to complete the
14 purchase or lease of a good or service.

15 2. (a) Any person, firm, partnership, association, corporation or any
16 agent or employee who solicits or facilitates a purchase directly from a
17 consumer, or lease of any good or service directly to a consumer, in the
18 state, shall clearly and conspicuously:

19 (i) disclose to the consumer in every offer or advertisement for the
20 purchase or lease of a good or service that includes pricing informa-
21 tion, the total price of the good or service being offered or adver-
22 tised, except where the total price of the good or service is to be
23 derived from a variable fee and is indeterminable at the time of the
24 offer or advertisement, disclose such variable fee along with any and
25 all mandatory fees associated with the transaction; and

26 (ii) disclose to the consumer any tax, duty, custom, or fee amounts
27 under subparagraph (ii) of paragraph (a) of subdivision one of this
28 section, prior to accepting payment.

29 (b) Disclosures of the total price, fees, charges or any component of
30 the total price shall not be false or misleading, and must by their
31 font, size, contrast, location, the length of time they appear, and
32 other characteristics, be presented prominently and stand out from any
33 accompanying text or other visual elements so that they are easily
34 noticed, read, and understood.

35 3. (a) For every violation of this section, an application may be made
36 by the attorney general in a court of competent jurisdiction to issue an
37 injunction, and upon notice to the defendant of not less than five days,
38 to enjoin and restrain the continuance of such violation. If it shall
39 appear to the satisfaction of the court that the defendant is, in fact,
40 in violation of this section, an injunction may be issued by such court,
41 enjoining and restraining such action or violation, without requiring
42 proof that any person has, in fact, been misled or deceived or otherwise
43 damaged thereby.

44 (b) The attorney general, or any person adversely affected by a
45 violation of this section, may bring an action against the person or
46 entity in violation of this section to recover the greater of:

47 (i) actual damages;

48 (ii) up to five hundred dollars for each unintentional violation of
49 this section; or

50 (iii) up to one thousand dollars for each intentional, knowing, or
51 willful violation of this section.

52 (c) In an action brought pursuant to paragraph (b) of this subdivi-
53 sion, the court may award costs of the action together with reasonable
54 attorneys' fees to a prevailing plaintiff.

55 (d) Any action taken under this section pleading a violation of this
56 section shall be exempt from any pre-dispute arbitration clauses that

1 may bind a consumer who is adversely affected by a violation of this
2 section.

3 (e) Any agreement relating to the waiver of any provision within this
4 section shall be deemed void.

5 (f) Nothing in this section shall in any way limit rights or remedies
6 which are otherwise available under law to the attorney general or any
7 other person authorized to bring an action under this section.

8 4. (a) A person, firm, partnership, association, or corporation that
9 provides broadband internet access service on its own or as part of a
10 bundle, as defined in section 8.1(b) of title 47 of the code of federal
11 regulations, and is in compliance with the broadband consumer label
12 requirements adopted by the federal communications commission in FCC
13 22-86 on November fourteenth, two thousand twenty-two, codified in
14 section 8.1(a) of title 47 of the code of federal regulations, shall be
15 deemed in compliance with this section. Provided, however, that if such
16 federal broadband consumer label requirements are no longer applicable,
17 a person, firm, partnership, association, or corporation providing
18 broadband internet access service shall comply with the provisions of
19 this section.

20 (b) A person, firm, partnership, association, or corporation providing
21 cable service, as defined in section 522(6) of title 47 of the United
22 States code, whether on a standalone basis or as part of a bundle, that
23 complies with the truth in billing and advertising requirements adopted
24 by the federal communications commission, as codified in section 76.310
25 of title 47 of the code of federal regulations, shall be deemed in
26 compliance with this section. Provided, however, that if such truth in
27 billing requirements are no longer applicable, a person, firm, partner-
28 ship, association, or corporation providing cable service shall comply
29 with the provisions of this section.

30 (c) A financial institution that is required to provide disclosures in
31 compliance with any of the following federal or state acts or regu-
32 lations with respect to a financial transaction is exempt from this
33 section for purposes of such financial transaction:

34 (i) the federal truth in savings act;

35 (ii) the federal electronic fund transfer act;

36 (iii) section 19 of the federal reserve act;

37 (iv) the federal truth in lending act;

38 (v) the federal real estate settlement procedures act;

39 (vi) the federal home ownership and equity protection act; or

40 (vii) any regulation adopted pursuant to any of the federal acts in
41 subparagraphs (i) through (vi) of this paragraph, inclusive.

42 For purposes of this paragraph, "financial institution" shall have the
43 same meaning as defined in section eight hundred one of the financial
44 services law.

45 (d) Compliance with the notice requirements of section five hundred
46 eighteen of the general business law by a person, firm, partnership,
47 association, or corporation imposing a surcharge on any sales trans-
48 action where a consumer elects to use a credit card in lieu of payment
49 by cash, check, or similar means, shall be deemed compliance with this
50 section.

51 (e) A food service establishment as defined in paragraph (b) of subdi-
52 vision one of section three hundred ninety-one-v of this article shall
53 be deemed compliant with this section if, in every offer or advertise-
54 ment for the purchase or lease of a good or service that includes pric-
55 ing information, the total price of the good or service being offered or

1 advertised includes a clear and conspicuous disclosure of the percentage
2 of any automatic and mandatory gratuity to be charged.

3 (f) A person, firm, partnership, association, or corporation offering
4 services for which the total price of the service cannot reasonably be
5 known at the time of the offer due to factors that determine the total
6 price that are beyond the control of such person or entity offering the
7 service, including factors that are determined by consumer selections or
8 preferences or that relate to distance or time, is compliant with this
9 section if such person or entity offering the service clearly and
10 conspicuously discloses:

11 (i) the factors that determine the total price;

12 (ii) any mandatory fees associated with the transaction; and

13 (iii) that the total price of the services may vary.

14 (g) It is not intended to be a violation of this section to advertise,
15 display, or offer the current bid in an ongoing auction provided that
16 the bid clearly and conspicuously discloses:

17 (i) all amounts that the buyer would be required to pay, other than
18 those amounts listed under subparagraph (ii) of paragraph (a) of subdi-
19 vision one of this section; and

20 (ii) that the total price of the goods or services may vary.

21 (h) It is not intended to be a violation of this section to advertise,
22 display, or offer multiple total prices in one advertisement as long as
23 each total price corresponds to one good or service in the advertise-
24 ment.

25 (i) Offers or advertisements for short-term lodging, including tempo-
26 rary sleeping accommodations at a hotel, motel, inn, short-term rental,
27 vacation rental, or other place of lodging that are in compliance with
28 part 464 of chapter I of title 16 of the code of federal regulations
29 shall be deemed in compliance with this section. Provided, however, that
30 if such regulations are no longer applicable, a person, firm, partner-
31 ship, association, or corporation offering short-term lodging shall
32 comply with the provisions of this section.

33 5. (a) Entities subject to subdivision four of section 25.07 of the
34 arts and cultural affairs law shall not be subject to the provisions of
35 this section.

36 (b) The provisions of this section shall not apply to air transporta-
37 tion provided by air carriers, as those terms are used in section 41713
38 of title 49 of the United States code.

39 § 3. Severability. If any clause, sentence, paragraph, section or part
40 of this act shall be adjudged by any court of competent jurisdiction to
41 be invalid and after exhaustion of all further judicial review, the
42 judgment shall not affect, impair or invalidate the remainder thereof,
43 but shall be confined in its operation to the clause, sentence, para-
44 graph, section or part of this act directly involved in the controversy
45 in which the judgment shall have been rendered.

46 § 4. This act shall take effect on the first of January next succeed-
47 ing the date on which it shall have become a law.