



NEW YORK STATE SENATOR

Brian X. Foley

Sen. Foley's Bill to Crack Down on Bogus Auto Warranty Calls Becomes Law

BRIAN X. FOLEY September 29, 2009

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Wide-spread scam targets cell phone users offering fake auto warrantiesAn important consumer protection bill, authored by Senator Brian X. Foley (D – Blue Point), became law following signing by Gov. Paterson. The legislation (S. 3331B) cracks down on auto warranty scams that have been widely reported throughout New York State.

For months, New Yorkers have been the targets of telemarketers selling bogus auto warranties. From cell phone users who don't want to waste precious "day-time" minutes to residents who don't even own cars, the unsolicited calls have been a source of frustration and nuisance. Perhaps more seriously, the telemarketers are preying on consumers, taking their personal information and selling them a faulty product.

"As the economic downturn forces families to do more with less, the last thing they need is unsolicited sales calls trying to con them into spending their hard earned money," said Foley. "These shady practices are clearly unethical. Thanks to this legislation they will now also be illegal."

The legislation prevents the deceptive solicitation of vehicle warranty policies. It makes it illegal for a person or business to make misleading solicitations for a motor-vehicle warranty where the solicitor erroneously implies there is a current warranty relationship.

According to the Better Business Bureau, there have been 547 official complaints against auto warranty scammers in New York State. This is a very significant statistic considering the overwhelming majority of scams go unreported.

The bill was sponsored in the Assembly by Assemblyman Ken Zebrowski (D – Rockland). "I have been advocating since I was elected to right this injustice to New York consumers who have been deceptively swindled and harassed into purchasing vehicle warranties that turn out to be fraudulent," said Zebrowski. "I hope this legislation will effectively end these deceptive solicitations and protect consumers."

The legislation passed unanimously in both the Senate and Assembly. It takes effect immediately.

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