



NEW YORK STATE SENATOR

Jose Peralta

Senator Peralta's Bill Protects Consumers From Greedy Corporations Unfairly Charging for Billing Statements

JOSE PERALTA May 19, 2010

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(Queens, NY) The State Senate passed legislation (S7296A) sponsored by Senator José Peralta (D-Queens) that will protect consumers from the growing trend of companies attempting to charge an additional fee for receiving paper billing statements instead of electronic billing statements.

In an effort to establish billing systems that are solely electronic, many companies throughout the nation have proposed charging consumers for receiving their billing statements on paper in the mail. Moreover, a growing number of banks and credit card companies are already charging these fees, which can sometimes be as much as \$2.50 and more.

While these fees may seem practical as technology and the internet continue to become a part of everyday life and paper costs rise, not everyone has a computer and internet access. Paper billing and payment fees disproportionately affect low-income consumers and older customers who are less likely to have access to the Internet. There are approximately 2 million households in New York without Internet access, and imposing a fee for a paper bill would unfairly punish these New Yorkers.

While the environmental benefits of electronic billing and payment are clear, a better approach to reducing paper use in this area is available. Several major companies have successfully reduced paper usage by offering customers an incentive to switch to electronic billing and payment.

Senator Peralta said, “Just when we thought there could not possibly be another hidden fee buried in the myriad of charges already imposed on customers, companies are attempting to scheme more backdoor costs on consumers.” He continued “There is a difference between charging for services and extortion and this legislation will ensure that companies will no longer be permitted to simply create revenue streams on the backs of their customers.”

This legislation now awaits action from the Assembly.