



NEW YORK STATE SENATOR

Jose Peralta

## Sen. Peralta and Queens D.A.'s Office of Immigrant Affairs Discuss Legislation to Require Travel Agents Register with NY Department of State

JOSE PERALTA December 7, 2016

| ISSUE: **TRAVEL**, **PERALTA**, **REGISTRY**

As we approach the holiday travel season, and in response to an uptick in complaints, State Senator Jose Peralta unveiled legislation (**S.1265**) today that would require travel consultants and travel promoters operating or doing business in New York to register with the New York Department of State (DOS). The implementation of a registration scheme would safeguard consumers against fraud, misrepresentation, and false advertising, while also addressing security concerns. Senator Peralta held a news conference to discuss his bill and was joined by Carmencita Gutierrez, Director of the Queens District Attorney's Office of Immigrant Affairs, and victims of recent scams.

Under the proposal, DOS will assign a registration number to each travel agent, and that number must be displayed by the travel promoter at his or her place of business, as well as on all documents created by a registrant's business, including on business cards, all personalized stationery, and all documents produced for each individual customer. DOS would maintain a database of all registered agents on its Internet website, easily accessible to the general public. In an effort to adequately fund enforcement, the registration application fee would be \$100, followed by an annual renewal fee of \$100. Registrations

would be non-transferable, and if ownership of a registered travel agency changes hands, the new owner would have to apply for a separate registration. In order to obtain a proper registration, a person or business would undergo a vetting process by DOS. If any changes are made to the information underlying a registration, the registration holder would have to notify DOS within ten business days.

The state agency will have the power to revoke, suspend or impose a fine of up to \$1,000 if the applicant has, among other things, defrauded consumers in the past, or demonstrated incompetence or a lack of trustworthiness in their business dealings. Any individual who had his or her registration suspended would be ineligible to reapply for a registration for a period of one year after it was suspended. If DOS denies a registration provided for by the legislation, the applicant would have the right to a hearing to challenge such a decision. Travel consultants or promoters without a proper registration would be prohibited to operate anywhere in New York State.

The existing New York State Truth in Travel Act already offers consumer protections to travelers, but Senator Peralta's legislation goes further by creating a centralized registry and by strengthening penalties mandated by the General Business Law.

"Consumers are ripped off every day with lies, scams, false travel packages," **said Senator Peralta.** " Under my proposal, we replace the Truth in Travel Act with a registry for travel consultants and promoters. Currently, the Department of State can already investigate consumer protection allegations, but my legislation will further protections by implementing a more regimented system where consumers can play a proactive role in protecting their interests."

**Queens District Attorney Richard A. Brown** said, "I enthusiastically support Senator Jose Peralta's proposed legislation which would require all travel agents and agencies to register

with the Department of State. The registry will be a great first step in helping consumers connect with legitimate travel coordinators. Consumers will be better able to inform themselves about whom they do business with. This legislation will be particularly useful for our growing immigrant communities that are too often victimized by scam artists posing as travel agents and experts. I want to thank Senator Peralta for this important initiative.”

Senator Peralta noted that with this legislation, “we are clearly protecting good businesses and offering stronger protections for consumers. Travel agents provide vital assistance and planning when one plans a trip, and this is why it is important that the consumer receives the exact services he or she pays for.” He added, “If someone spends their hard-earned money to book a beach resort for their family, he or she should not arrive at their destination only to find an unsanitary or unsafe motel that was not what they bargained for. This is about preventing fraud, and this is common sense.”

The current Truth in Travel Act prohibits, among other items, any misrepresentation of the quality of services, type or size of the airplane, vehicle, ship or train, time of departure and arrival, stops made and total trip-time. The Act also provides power for the district attorneys of any county of the State to enforce any violations by travel consultants and promoters. The legislation offered by Senator Peralta not only continues the existing framework of penalties against those who have already duped travelers, but also counters bad actors on the front end by outlining stiff penalties for violations of the rules associated with the proposed registration scheme.

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#### RELATED LEGISLATION

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**2015-S1265**

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- Introduced
  - - In Committee Assembly
    - In Committee Senate
  - - On Floor Calendar Assembly
    - On Floor Calendar Senate
  - - Passed Assembly
    - Passed Senate
  - Delivered to Governor
  - Signed By Governor
  -

Requires travel agents to be registered with the department of state, and provides for the regulation thereof; repealer

January 09, 2015

In Senate Committee **Consumer Protection**

Sponsored by **Jose Peralta**

Do you support this bill?