



NEW YORK STATE SENATOR

Brian Kavanagh

Statement from Assemblyman Dinowitz and Senator Kavanagh on Passage of Bill Requiring Contracts be Written in Plain Language

BRIAN KAVANAGH June 14, 2018

| ISSUE: **CONSUMER PROTECTION, PLAIN LANGUAGE, CONTRACTS, CONSUMER CONTRACTS**



(Albany, NY) — Today, the New York State Assembly passed [A1085A](#), a bill sponsored by Assemblyman Jeffrey Dinowitz that requires consumer contracts up to \$100,000 be written in plain language that everyday New Yorkers can understand. The Senate version of the bill, [S7074A](#) sponsored by Senator Brian Kavanagh, passed the Senate earlier this month. The bill now goes to Governor Andrew Cuomo for his signature.

Assemblyman Jeffrey Dinowitz said (D-Bronx) said: “For too long, unsuspecting consumers have been taken advantage of by complicated legalese in contracts which requires an advanced diploma to understand. Over the past several decades, the costs of goods and services have increased in New York but the law has failed to keep pace. I am proud that the Assembly, which has passed this bill five different times since 2014, and the State Senate were finally able to reach an agreement on this issue. This legislation is an important step forward to ensure that everyone can understand language in the contracts they are signing, and I urge Governor Cuomo to join us in supporting this important consumer protection initiative.”

“New York might be the financial capital of the world — but just because we’re home to Wall Street doesn’t mean New Yorkers should need a degree in business or law to understand a contract they’re signing,” **State Senator Brian Kavanagh said.** “When New York enacted the plain language contract law in 1977, we were ahead of the curve. Back then, the law covered nearly every consumer contract — but it hasn’t been updated in more than three decades, and no longer covers many common types of contracts for services consumers need. Whether you’re hiring a contractor for repairs or remodeling in your home or buying an SUV, this legislation will ensure that the terms of the deal are clear. I look forward to working with Assemblymember Dinowitz, who has been a longstanding leader on consumer protection, and Governor Cuomo to ensure that this bill is signed into law.”

New York State law defines consumer contracts as those where both: (a) a consumer is a party to the contract and, (b) the money, property or services in the contract are primarily used for a personal, family, or household purpose. Examples includes when someone purchases a car, signs up for cell phone service, or has work done on their home.

In 1977, New York passed one of the first “plain language” laws in the country, requiring consumer contracts valued at \$50,000 or less include language that any consumer could understand. At the time, the limit covered nearly every consumer contract. Assemblyman

Dinowitz and Senator Kavanagh's bill doubles the threshold to \$100,000.

Assemblyman Dinowitz and the New York State Assembly have passed a similar version of this bill in each year since 2014. Senator Kavanagh worked closely with Assemblyman Dinowitz to amend the bill language to match what was passed by the New York State Senate for the first time on June 11, 2018.

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RELATED LEGISLATION

2017-S7074A

- 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

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Increases the monetary exclusion on the requirement of plain language in consumer contracts

December 08, 2017

Signed by Governor

Sponsored by **Brian Kavanagh**

Do you support this bill?