

Consumer alert

Dear Friend,

If the offer sounds too good to be true, it usually is.

That's why consumers must be careful when making decisions in the marketplace. Whether buying an appliance or contracting for a professional service, consumers should always make absolutely certain they are receiving the product or service they want at a fair and reasonable price.

The state Assembly has enacted several laws that protect consumers against unscrupulous sellers and unfair business practices. I have prepared this brochure to help you better understand your rights as a consumer and to provide some common examples of the kinds of deceptive business practices that cost consumers their hard-earned money.

As always, if you have any questions or comments about this or other issues, please contact my office.

Sincerely,



Carl E. Heastie
Speaker of the Assembly



Important phone numbers

NYS Attorney General

ag.ny.gov
General Helpline: 1-800-771-7755
TTY: 1-800-788-9898

**NYS Department of State
Division of Consumer Protection**
ny.gov/agencies/division-consumer-protection
Helpline: 1-800-697-1220

Federal Trade Commission
www.ftc.gov
File a complaint online: reportfraud.ftc.gov
Consumer Response Center: 1-877-382-4357
TTY: 1-866-653-4261

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Buyer beware



Consumer rights in NYS

Let the buyer beware

The bait and switch

This is a classic scam. A product will be advertised at a price below cost to “bait” the customer into a store. When the customer comes into the store to buy the item, the retailer claims it’s either out of stock or a bad product. The retailer, who never intended to sell the advertised product, will then attempt to persuade the customer to purchase a more expensive item.

Rebates

While some rebates offer significant savings, businesses often count on consumers not claiming them, or the business never sends the rebate or sends the rebate months after receiving a request for redemption. In addition, some businesses use potentially deceptive or unfair business practices by making the rebate process complicated.

New York State law requires businesses offering rebates to provide the rebate form at the time of purchase and to allow at least 14 days for the consumer to submit a request for redemption. It also requires businesses to mail rebates to the consumer within 60 days, to disclose how the rebate will be returned to the consumer (credit card, check or gift card) and whether additional fees will be incurred by redemption of the rebate.

Checks by mail

Banks and finance companies often mail simulated checks seemingly worth thousands of dollars to consumers with good credit. An accompanying letter promotes low monthly payments and suggests how the money can be

used to buy the luxury items that you’ve earned. Only the fine print details annual interest rates as high as 21% and long-term payments. The check is, in fact, a consumer loan at rates two and three times higher than conventional loans. Don’t be fooled by the packaging. And always read the small print carefully.

Free-trial offers

Free-trial offers can be a good deal for consumers. Some offers, however, fail to clearly disclose a consumer’s obligation to cancel during the “risk-free” period. This can lead to situations where consumers are charged for goods or services they did not intend to purchase. To ensure that consumers can make informed decisions regarding free-trial offers, the Legislature passed a law requiring entities offering free trials to clearly and conspicuously disclose the terms of the offer, obtain the express consent of the consumer to accept the offer and provide adequate notice to consumers regarding the deadline to cancel a free-trial offer.

Winning contests you never entered

The next time you receive an unsolicited letter awarding you an expensive gift, ask yourself this: When is the last time anyone won a prize for a contest he/she did not enter? The truth is, these prizes are usually used to promote products like real estate or vacation timeshares. You’ll find the diamond you won is the size of a pinhead or the food processor is a cheap, hand-operated food chopper. You may be asked to attend a sales meeting to pick up your gift or send a shipping

and handling fee. Be skeptical of unsolicited mail that is marked urgent or resembles telegrams. And never give your credit card number, Social Security number or bank account number to show eligibility or to confirm an award. In short, avoid any prize that costs you time or money.

Online shopping

Online shopping offers many advantages, but it’s not without risk. Consumers can easily become victims of fraud, identity theft and privacy invasion.

Buy from trustworthy sellers, and request a catalogue or brochure from a company that you’re unfamiliar with before you shop on their website. Comparison shop and research other websites for promotional codes that may offer you an additional savings on price or shipping. Don’t use debit cards, which directly access your bank account, and don’t agree to allow the seller to keep your credit card on file for future purchases. Make sure that the website you order from uses encryption. Keep a record of your transactions, your purchase order and confirmation number. Make sure you keep your computer’s operating system secure with a firewall and an anti-virus program.

Having done all the above, know that you have consumer rights. The federal Mail/Telephone Order Merchandise Rule covers online purchases. Orders must be delivered in 30 days and you must be notified if there is a delay. If the company can’t reach you for your consent to the delay, they must promptly refund all the money you paid for the unshipped merchandise without being asked to do so.