

BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 543

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 5, after “information” insert “and terms; authorizing the cancellation of a service contract by a certain person under certain circumstances; providing that certain service contracts are void under certain circumstances; requiring a provider of a service contract to pay or credit the account of a certain person who has canceled a service contract a certain amount under certain circumstances”.

On page 9, in line 33, strike “LICENSE’S LICENSEE” and substitute “LICENSEE’S LICENSE”.

AMENDMENT NO. 2

On page 6, after line 9, insert:

“(D) A SERVICE CONTRACT MAY BE CANCELED BY THE PERSON GUARANTEED:

(1) WITHIN 20 DAYS AFTER RECEIPT OF THE SERVICE CONTRACT IF MAILED TO THE PERSON GUARANTEED;

(2) WITHIN 20 DAYS AFTER THE DATE OF DELIVERY OF THE SERVICE CONTRACT IF DELIVERED TO THE PERSON GUARANTEED AT THE TIME OF SALE; OR

(3) FOR A PERIOD OF TIME NOT LESS THAN 20 DAYS AS SPECIFIED IN THE SERVICE CONTRACT.

(E) IF A SERVICE CONTRACT IS CANCELED UNDER SUBSECTION (D) OF THIS SECTION AND A CLAIM HAS NOT BEEN MADE UNDER THE SERVICE CONTRACT

(Over)

PRIOR TO ITS CANCELLATION, THE SERVICE CONTRACT IS VOID AND THE PROVIDER SHALL REFUND TO THE PERSON GUARANTEED THE FULL CONSIDERATION PAID FOR THE SERVICE CONTRACT.

(F) THE RIGHT TO VOID A SERVICE CONTRACT UNDER SUBSECTION (E) OF THIS SECTION:

(1) IS NOT TRANSFERABLE;

(2) APPLIES ONLY TO THE ORIGINAL PERSON GUARANTEED UNDER THE SERVICE CONTRACT; AND

(3) APPLIES ONLY IF A CLAIM HAS NOT BEEN MADE UNDER THE SERVICE CONTRACT PRIOR TO CANCELLATION OF THE SERVICE CONTRACT.

(G) (1) A PROVIDER SHALL PAY OR CREDIT THE ACCOUNT OF A PERSON GUARANTEED WHO HAS CANCELED A SERVICE CONTRACT UNDER SUBSECTION (D) OF THIS SECTION THE FULL CONSIDERATION PAID FOR THE SERVICE CONTRACT WITHIN 45 DAYS AFTER THE CANCELLATION.

(2) A PROVIDER THAT DOES NOT PAY OR CREDIT THE ACCOUNT OF THE PERSON GUARANTEED IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION SHALL PAY TO THE PERSON GUARANTEED AN AMOUNT EQUAL TO 10% OF THE VALUE OF THE CONSIDERATION PAID FOR THE SERVICE CONTRACT FOR EACH MONTH THAT THE REFUND IS NOT PAID OR CREDITED.”.