

ASSEMBLY, No. 1722

STATE OF NEW JERSEY

INTRODUCED MARCH 18, 1996

By Assemblymen IMPREVEDUTO and COHEN

1 AN ACT concerning cellular mobile radio communications carriers and  
2 supplementing P.L.1960, c.39 (C.56:8-1 et seq.).

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4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

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7 1. As used in this act:

8 "Cellular mobile radio communications carrier" means any person  
9 owning, operating, controlling or managing a cellular mobile radio  
10 communications system.

11 "Cellular mobile radio communications system" means any facility  
12 within the State authorized by the Federal Communications  
13 Commission to provide cellular mobile radio communications service  
14 on a for-hire basis to the public.

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16 2. Cellular mobile radio communications service constitutes a  
17 service within the term "merchandise" as defined in section 1 of  
18 P.L.1960, c.39 (C.56:8-1), and the provisions of P.L.1960, c.39  
19 (C.56:8-1 et seq.) concerning the advertisement and sale of  
20 merchandise shall have the same application to the advertisement and  
21 sale of cellular mobile radio communications service.

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23 3. It shall be an unlawful practice for a cellular mobile radio  
24 communications carrier to:

25 a. Advertise or sell automatic renewal contracts for cellular mobile  
26 radio communications service to the public in this State. As used in  
27 this section, automatic renewal contract means a contract that extends  
28 for a period of more than one year without the express written  
29 authorization from the purchaser of the contract to extend the contract  
30 for more than one year; or

31 b. To fail to provide a purchaser of a contract for cellular mobile  
32 radio communications service with a form, on at least an annual basis  
33 and no later than 60 days before the end of the contract year, on which  
34 the purchaser may indicate whether or not to renew the contract for  
35 an additional year.

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37 4. This act shall take effect immediately .

## STATEMENT

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3 This bill would supplement the State's Consumer Fraud Act,  
4 P.L.1960, c.39 (C.56:8-1 et seq.), to include cellular mobile radio  
5 communications service within the definition of "merchandise" in  
6 section 1 of the act; the bill would thereby subject the advertisement  
7 and sale of cellular mobile radio communications service, commonly  
8 referred to as cellular telephone service, to the penalties set forth in  
9 the consumer fraud law.

10 The bill specifically deems automatic renewal contracts for cellular  
11 mobile radio communications service as an unlawful practice under  
12 the Consumer Fraud Law. As used in this bill, "automatic renewal  
13 contracts" refers to contracts for cellular phone service that extend  
14 beyond one year without the express written authorization from the  
15 purchaser of the contract.

16 The bill would also require any cellular mobile radio  
17 communications carrier (CMRC) to provide each customer with a  
18 form, on at least an annual basis and no later than 60 days before the  
19 end of the contract year, on which the customer may elect to either  
20 continue or discontinue service with the CMRC for an additional year.

21 The bill is intended to address the problem experienced by  
22 customers in this State who find that they are billed automatically for  
23 an additional year of cellular phone service by a CMRC without their  
24 consent.

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29 Prohibits advertisement or sale of automatic renewal contracts for  
30 cellular telephone service.

WITHDRAWN