

Help Prevent Discriminatory Fees on Paper-Based Communication in NY State

Your immediate help is needed to support passage of important legislation in New York State that would protect citizens' rights to paper-based communication. Please review the following information and communicate in writing with your NY State Senator and your NY State Assemblymember. A copy of Consumers for Paper Options' letter to the lead sponsors of this legislation is included for your information.

Issue

Banks, credit unions, credit card companies and other business institutions are looking for ways to reduce operating expenses and replace lost revenue. One way they are doing this is by charging a fee for paper-based statements and for customers who pay bills by check. While this may benefit the service provider, it restricts consumer choice regarding how customers receive sensitive information from those companies. It also imposes fees on consumers who are least likely to be able to afford them – the elderly and those without secure access to personal computers.

Despite the growing prevalence of technology, paper-based communication remains critical for a large portion of the American population – and yet, many businesses are penalizing these citizens for choosing paper options. According to the last U.S. Census, 27% of American households lack access to broadband internet service and 45% of senior citizens don't even own a computer.

A recent poll by InfoTrends conducted for Consumers for Paper Options found that 84% of Americans with internet access believe that the private sector should not force consumers to receive bills, statements and informational documents in electronic format only. Meanwhile, 78% say that a paper check should always be accepted without any fee or other penalty. Americans also want government to proactively protect vulnerable populations: 89% say that shifting consumers to online-only documents disadvantages some groups, such as the elderly, disabled, low income, and poorly educated, and 83% of those respondents want the government to take action to prevent any shift to electronic formats from disadvantaging vulnerable Americans

The New York legislature should pass S2432 by Senator Klein and A.370 by Assemblyman Dinowitz to ensure that paper-based information continues for all customers without a charge – unless the customer has specifically opted-out of paper-based communications. The measures would also ensure that customers may continue to pay bills by check without additional penalty.

Benefits

Adopting these measures will ensure that:

- 1) Financial institutions cannot impose unreasonable fees on their most financially vulnerable customers.
- 2) Consumers receive clear information and can maintain an audit trail of communications with financial institutions.
- 3) Consumers have the freedom of choice in how they receive and manage information.
- 4) The safety and security of sending and receiving sensitive financial information is protected by allowing consumers to continue to rely on paper-based statements.

Take Action

Please write to your NY State Senators and Assemblymen to express your support for S 2432 and A 370. You can locate your elected officials' addresses by following these links:

<http://www.nysenate.gov/senators>

<http://assembly.state.ny.us/mem/>

For further information, please contact: John Runyan, Executive Director, Consumers for Paper Options
john@runyanpa.com



May 9, 2013

Senator Jeffrey Klein
NY State Senate
Legislative Office Building, Room 913
Albany, NY 12247

Dear Senator Klein:

Consumers for Paper Options (CPO) is pleased to endorse S 2432, which you have sponsored, to prohibit fees from being charged to consumers if they choose to receive paper statements or pay bills by paper check. This important legislation would stop a growing trend toward charging fees to people who depend on paper-based information and need or want to pay for goods and services via mail orders or paper checks.

CPO is a coalition of individuals and organizations advocating for the right of citizens – especially seniors and those on the other side of the “digital divide” – to engage in paper-based communication. CPO unites paper-based communication interests with senior’s organizations, consumer advocates and individual concerned citizens who depend on paper-based information and services.

Despite the growing prevalence of technology, paper and mail-based communication remains critical for a large portion of the American population – and yet, many businesses are penalizing these citizens for choosing paper options. According to the last U.S. Census, some 27% of American households lack access to broadband internet service and some 45% of US senior citizens don’t even own a computer.

Despite this significant digital divide, many institutions are looking to reduce costs by charging a fee when consumers pay through the mail or by check, or when they wish to continue receiving paper-based statements. While charging for these practices may benefit a business or a government agency, it restricts consumer choice and discriminates against consumers who least can afford the fees – most likely the elderly and low income Americans without secure access to personal computers. And with the explosion of cybercrime, allowing people to maintain paper-based banking gives them some piece of mind as well as a paper audit trail for additional protection.

Despite a rise in online banking, a recent poll by InfoTrends conducted for Consumers for Paper Options found that 84% of Americans with internet access believe that the private sector should not force consumers to receive bills, statements and informational documents in electronic format only. And 78% say that a paper check should always be accepted without any fee or other penalty. Americans also want government to proactively protect vulnerable populations. According to the same survey, 89% say that shifting consumers to online-only documents disadvantages some groups, such as the elderly, disabled, low income, and poorly educated, and 83% of those respondents want the government to take action to prevent any shift to electronic formats from disadvantaging vulnerable Americans. CPO believes your legislation represents an important step in the fight to eliminate the discriminatory practice of penalizing consumers for choosing paper bills and statements or paying via mail or paper check, and we fully support its passage and will work to build broader support throughout our network of NY interests.

Sincerely,

John Runyan
Executive Director



May 9, 2013

Assemblyman Jeffrey Dinowitz
NY State Assembly
Legislative Office Building, Room 941
Albany, NY 12248

Dear Assemblyman Dinowitz:

Consumers for Paper Options (CPO) is pleased to endorse A 370, which you have sponsored, to prohibit fees from being charged to consumers if they choose to receive paper statements or pay bills by paper check. This important legislation would stop a growing trend toward charging fees to people who depend on paper-based information and need or want to pay for goods and services via mail orders or paper checks.

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John Runyan
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