

HOUSE No. 3355

By Ms. Peisch of Wellesley, petition of Alice Hanlon Peisch for legislation to further regulate the leasing of telephone equipment. Telecommunications, Utilities and Energy.

The Commonwealth of Massachusetts

In the Year Two Thousand and Seven.

AN ACT REGULATING THE LEASING OF TELEPHONE EQUIPMENT.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Chapter 166 of the General Laws is hereby amended by adding
2 after section 44 the following section:—

3 Section 45. Notwithstanding the provisions of any general or
4 special law to the contrary, a company that leases telephonic equip-
5 ment must distinguish on its statements to the customer the monthly
6 amount due for leasing the equipment and the monthly amount due
7 for servicing the equipment.

8 When a customer's cumulative payments for the leased equip-
9 ment equal or exceed the fair market value of the telephonic equip-
10 ment, the leasing company must immediately offer to transfer
11 ownership to the customer at no additional cost, except for a reason-
12 able finance charge. Customers may choose to continue to lease, but
13 must indicate their desire to do so in writing on a document provided
14 by the leasing company. Upon the failure of the customer to affirma-
15 tively choose to continue leasing the equipment, the leasing com-
16 pany shall transfer ownership to the customer.

17 Companies must clearly present, on each monthly statement, the
18 cumulative cost of the lease agreement over the entire lease period.