

**RESOLUTION NO. 1086 -2012, ADOPTING LOCAL LAW
NO. 5 -2013, A LOCAL LAW TO CLARIFY ESCROW
REQUIREMENTS FOR LICENSED HOME FURNISHINGS
SELLERS**

WHEREAS, there was duly presented and introduced to this County Legislature at a meeting held on October 9, 2012, a proposed local law entitled, "**A LOCAL LAW TO CLARIFY ESCROW REQUIREMENTS FOR LICENSED HOME FURNISHINGS SELLERS;**" now, therefore be it

RESOLVED, that said local law be enacted in form as follows:

LOCAL LAW NO. 5 -2013, SUFFOLK COUNTY, NEW YORK

**A LOCAL LAW TO CLARIFY ESCROW REQUIREMENTS FOR
LICENSED HOME FURNISHINGS SELLERS**

**BE IT ENACTED BY THE COUNTY LEGISLATURE OF THE COUNTY OF
SUFFOLK**, as follows:

Section 1. Legislative Intent.

This Legislature hereby finds and determines that the County of Suffolk licenses and regulates home furnishings dealers in the interest of consumer protection.

This Legislature also finds and determines that the County of Suffolk enacted Local Law No. 15-2008, which requires home furnishing sellers to place all monies provided by a consumer as a deposit for a purchase into an escrow account within five business days of receipt.

This Legislature further finds and determines that a ten day window for home furnishings sellers to place consumer monies in escrow is a reasonable time frame that businesses can comply with.

This Legislature determines that the County law should also be clarified to exempt those transactions where furniture is delivered to a consumer within ten days or when a deposit is made by credit card and to permit the use of escrow monies when a consumer delays final delivery of purchased home furnishings.

Therefore, the purpose of this law is to amend Chapter 563 of the SUFFOLK COUNTY CODE to clarify the requirements applicable to home furnishings escrow accounts.

Section 2. Amendments.

Chapter 563 of the SUFFOLK COUNTY CODE is hereby amended as follows:

CHAPTER 563. Licensed Occupations.

Article IX. HOME FURNISHINGS.

§ 563-111. Escrow requirement.

- A. All monies paid by a consumer to a seller as a deposit for the purchase of home furnishings shall continue to be the money of the person making such deposit, and shall be a trust fund in the possession of the seller and shall be deposited by the seller within ~~[five]~~ ten business days thereafter by the recipient in an escrow account in a bank, trust company, savings bank or state or federal savings and loan association. The seller shall notify the consumer within ~~[10]~~ fifteen business days, in writing, of the name and address of the bank, trust company, savings bank or state or federal savings and loan association and the amount deposited.
- B. All monies so deposited shall not be mingled with other funds or become an asset of the seller, excepting, however, that such trust funds may be deposited with other funds that have been paid to the seller as a deposit for the purchase of home furnishings.
- C. All monies shall be held in trust until they are repaid to the consumer or until they are fully applied to the purchase price at the time the subject home furnishings are delivered to the consumer except that in the event purchased home furnishings are offered for delivery by the seller but the consumer delays final delivery of same, the seller may use the monies held in escrow to pay the manufacturer of the subject home furnishings and other appropriate expenses relating to the pending sale.
- D. The escrow requirements set forth in this section shall not apply to transactions in which the seller delivers the purchased home furnishings within ten business days of the receipt of deposit or where a consumer uses a credit card to place a deposit for the purchase of home furnishings.

Section 3. Applicability.

This law shall apply to all actions occurring on or after the effective date of this law.

Section 4. Severability.

If any clause, sentence, paragraph, subdivision, section, or part of this law or the application thereof to any person, individual, corporation, firm, partnership, entity, or circumstance shall be adjudged by any court of competent jurisdiction to be invalid or unconstitutional, such order or judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section, or part of this law, or in its application to the person, individual, corporation, firm, partnership, entity, or circumstance directly involved in the controversy in which such order or judgment shall be rendered.

Section 5. SEQRA Determination.

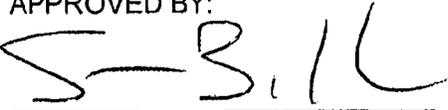
This Legislature, being the State Environmental Quality Review Act (SEQRA) lead agency, hereby finds and determines that this law constitutes a Type II action pursuant to Section 617.5(c)(20), (21), and/or (27) of Title 6 of the NEW YORK CODE OF RULES AND REGULATIONS (6 NYCRR) and within the meaning of Section 8-0109(2) of the NEW YORK ENVIRONMENTAL CONSERVATION LAW as a promulgation of regulations, rules, policies, procedures, and legislative decisions in connection with continuing agency administration, management and information collection. The Suffolk County Council on Environmental Quality (CEQ) is hereby directed to circulate any appropriate SEQRA notices of determination of non-applicability or non-significance in accordance with this law.

Section 6. Effective Date.

This law shall take effect immediately upon filing in the Office of the Secretary of State.

[] Brackets denote deletion of existing language
___ Underlining denotes addition of new language

DATED: December 4, 2012

APPROVED BY:

County Executive of Suffolk County

Date: 12-27-12

After a public hearing duly held on December 19, 2012
Filed with the Secretary of State on January 29, 2013

SUFFOLK COUNTY
County Legislature
RIVERHEAD, NY



This is to Certify That I, TIM LAUBE, Clerk of the County Legislature of the County of Suffolk, have compared the foregoing copy of resolution with the original resolution now on file in this office, and which was duly adopted by the County Legislature of said County on December 4, 2012 and that the same is a true and correct transcript of said resolution and of the whole thereof.

In Witness Whereof, I have hereunto set my hand and the official seal of the County Legislature of the County of Suffolk.

Tim Laube

Clerk of the Legislature

Intro. Res.

1938

Res. No.

1086

December 4, 2012

Motion:

Romaine, Schneiderman, Browning, Muratore, Anker
Calarco, Montano, Cilmi, Lindsay, Hahn, Barraga,
Kennedy, Nowick, Horsley, Gregory, Stern, D'Amaro, Spencer

Co-Sponsors:

Romaine, Schneiderman, Browning, Muratore, Anker
Calarco, Montano, Cilmi, Lindsay, Hahn, Barraga,
Kennedy, Nowick, Horsley, Gregory, Stern, D'Amaro, Spencer

Second:

Romaine, Schneiderman, Browning, Muratore, Anker
Calarco, Montano, Cilmi, Lindsay, Hahn, Barraga,
Kennedy, Nowick, Horsley, Gregory, Stern, D'Amaro, Spencer

LD	Legislator	Yes	No	Abs	NP	R
1						
2	Jay H. SCHNEIDERMAN					
3	Kate M. BROWNING					
4	Thomas MURATORE					
5	Kara HAHN					
6	Sarah S. ANKER					
7	Rob CALARCO					
9	Ricardo MONTANO					
10	Thomas CILMI					
11	Thomas F. BARRAGA					
12	John M. KENNEDY, JR.					
13	Lynne C. NOWICK					
15	DuWayne GREGORY					
16	Steven H. STERN					
17	Lou D'AMARO					
18	William SPENCER					
14	Wayne R. HORSLEY, D.P.O.					
8	William J. LINDSAY, P.O.					
	Totals	17				

MOTION	
<input checked="" type="checkbox"/>	Approve
	Table: _____
<input type="checkbox"/>	Send To Committee
<input type="checkbox"/>	Table Subject To Call
<input type="checkbox"/>	Lay On The Table
<input type="checkbox"/>	Discharge
<input type="checkbox"/>	Take Out of Order
<input type="checkbox"/>	Reconsider
<input type="checkbox"/>	Waive Rule
<input type="checkbox"/>	Override Veto
<input type="checkbox"/>	Close
<input type="checkbox"/>	Recess
APPROVED <input checked="" type="checkbox"/>	FAILED <input type="checkbox"/>
No Motion <input type="checkbox"/>	No Second <input type="checkbox"/>

RESOLUTION DECLARED
<input checked="" type="checkbox"/> ADOPTED
<input type="checkbox"/> NOT ADOPTED

Roll Call Voice Vote

Tim Laube

Tim Laube, Clerk of the Legislature