

# STATE OF NEW YORK

9269

## IN ASSEMBLY

February 23, 2024

Introduced by M. of A. BERGER -- read once and referred to the Committee on Social Services

AN ACT to amend the social services law, in relation to requiring electronic benefit transfer systems to include fraud detection for unauthorized transactions

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision 1 of section 21-a of the social services law is  
2 amended by adding a new paragraph (c) to read as follows:

3 (c) (i) Any electronic benefit transfer system implemented pursuant to  
4 this section shall include a fraud detection mechanism to protect bene-  
5 fit recipients from stolen cards and unauthorized transactions. Such  
6 fraud detection mechanism shall include, but not be limited to, requir-  
7 ing authorization from the benefit recipient before any transaction can  
8 be completed if such transaction is being made in a state other than New  
9 York. Such authorization shall be in a form and manner to be determined  
10 by the department.

11 (ii) The department shall establish an opt-out procedure for any bene-  
12 fit recipient who does not want authorization to be required when  
13 conducting a transaction in another state. Such opt-out shall be done by  
14 form and such form shall be made available in hard copy and electron-  
15 ically available on the department's website.

16 § 2. This act shall take effect six months after it shall have become  
17 a law.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

LBD14361-04-4