STATE OF NEW YORK

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2025-2026 Regular Sessions

IN SENATE

December 1, 2025

Introduced by Sens. MYRIE, COMRIE, FAHY, KRUEGER, PARKER, SKOUFIS -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- recommitted to the Committee on Codes in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the penal law, the criminal procedure law, the general business law, the labor law, the legislative law, the public officers law, the state finance law and the tax law, in relation to enacting the "securing consumer assets against malfeasance" or "S.C.A.M. act"

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

Section 1. This act shall be known and may be cited as the "securing consumer assets against malfeasance" or "S.C.A.M. act".

§ 2. Section 190.60 of the penal law, as amended by chapter 491 of the laws of 1992 and subdivision 1 as amended by chapter 357 of the laws of 1996, is amended to read as follows:

§ 190.60 Scheme to defraud in the [~~second~~] fifth degree.

1. A person is guilty of a scheme to defraud in the [~~second~~] fifth degree when [~~he~~] such person engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud more than one person or to obtain property from more than one person by false or fraudulent pretenses, representations or promises, and so obtains property from one or more of such persons.

2. In any prosecution under this section, it shall be necessary to prove the identity of at least one person from whom the defendant so obtained property, but it shall not be necessary to prove the identity of any other intended victim.

Scheme to defraud in the [~~second~~] fifth degree is a class A misdemeanor.

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

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§ 3. Section 190.65 of the penal law, as amended by chapter 332 of the laws of 2020, is amended to read as follows:

§ 190.65 Scheme to defraud in the [~~first~~] fourth degree.

1. A person is guilty of a scheme to defraud in the [~~first~~] fourth degree when [~~he or she~~] such person: (a) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud ten or more persons or to obtain property from ten or more persons by false or fraudulent pretenses, representations or promises, and so obtains property from one or more of such persons; or (b) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud more than one person or to obtain property from more than one person by false or fraudulent pretenses, representations or promises, and so obtains property with a value in excess of one thousand dollars from one or more such persons; or (c) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud more than one person, more than one of whom is a vulnerable elderly person as defined in subdivision three of section 260.31 of this chapter or to obtain property from more than one person, more than one of whom is a vulnerable elderly person as defined in subdivision three of section 260.31 of this chapter, by false or fraudulent pretenses, representations or promises, and so obtains property from one or more such persons; or (d) engages in a systematic ongoing course of conduct, with intent to defraud more than one person by false or fraudulent pretenses, representations or promises, by disposing of solid waste as defined in section 27-0701 of the environmental conservation law on such persons' property, and so damages the property of one or more of such persons in an amount in excess of one thousand dollars.

2. In any prosecution under this section, it shall be necessary to prove the identity of at least one person from whom the defendant so obtained property, but it shall not be necessary to prove the identity of any other intended victim, provided that in any prosecution under paragraph (c) of subdivision one of this section, it shall be necessary to prove the identity of at least one such vulnerable elderly person as defined in subdivision three of section 260.31 of this chapter.

3. In any prosecution under paragraph (d) of subdivision one of this section, it shall be necessary to prove the identity of at least one person on whose property the defendant fraudulently disposed of solid waste pursuant to such paragraph (d), but it shall not be necessary to prove the identity of any other victim or intended victim.

Scheme to defraud in the [~~first~~] fourth degree is a class E felony.

§ 4. The penal law is amended by adding three new sections 190.66, 190.67, and 190.68 to read as follows:

§ 190.66 Scheme to defraud in the third degree.

1. A person is guilty of a scheme to defraud in the third degree when such person: (a) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud twenty-five or more persons or to obtain property from twenty-five or more persons by false or fraudulent pretenses, representations or promises, and so obtains property from one or more of such persons; or (b) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud more than one person or to obtain property from more than one person by false or fraudulent pretenses, representations or promises, and so obtains property with a value in excess of three thousand dollars from one or more such persons; or (c) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud more than one person, more than one of whom is a vulnerable elderly person as defined in

subdivision three of section 260.31 of this chapter or to obtain property from more than one person, more than one of whom is a vulnerable elderly person as defined in subdivision three of section 260.31 of this chapter, by false or fraudulent pretenses, representations or promises, and so obtains property with a value in excess of one thousand dollars from one or more such persons.

2. In any prosecution under this section, it shall be necessary to prove the identity of at least one person from whom the defendant so obtained property, but it shall not be necessary to prove the identity of any other intended victim, provided that in any prosecution under paragraph (c) of subdivision one of this section, it shall be necessary to prove the identity of at least one such vulnerable elderly person as defined in subdivision three of section 260.31 of this chapter.

Scheme to defraud in the third degree is a class D felony.

§ 190.67 Scheme to defraud in the second degree.

1. A person is guilty of a scheme to defraud in the second degree when such person: (a) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud one hundred or more persons or to obtain property from one hundred or more persons by false or fraudulent pretenses, representations or promises, and so obtains property from one or more of such persons; (b) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud more than one person or to obtain property from more than one person by false or fraudulent pretenses, representations or promises, and so obtains property with a value in excess of fifty thousand dollars from one or more such persons; or (c) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud more than one person, more than one of whom is a vulnerable elderly person as defined in subdivision three of section 260.31 of this chapter or to obtain property from more than one person, more than one of whom is a vulnerable elderly person as defined in subdivision three of section 260.31 of this chapter, by false or fraudulent pretenses, representations or promises, and so obtains property with a value in excess of three thousand dollars from one or more such persons.

2. In any prosecution under this section, it shall be necessary to prove the identity of at least one person from whom the defendant so obtained property, but it shall not be necessary to prove the identity of any other intended victim, provided that in any prosecution under paragraph (c) of subdivision one of this section, it shall be necessary to prove the identity of at least one such vulnerable elderly person as defined in subdivision three of section 260.31 of this chapter.

Scheme to defraud in the second degree is a class C felony.

§ 190.68 Scheme to defraud in the first degree.

1. A person is guilty of a scheme to defraud in the first degree when such person: (a) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud one thousand or more persons or to obtain property from one thousand or more persons by false or fraudulent pretenses, representations or promises, and so obtains property from one or more of such persons; (b) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud more than one person or to obtain property from more than one person by false or fraudulent pretenses, representations or promises, and so obtains property with a value in excess of one million dollars from one or more such persons; or (c) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud more than one person, more than one of whom is a vulnerable elderly person as defined in subdivision

three of section 260.31 of this chapter or to obtain property from more than one person, more than one of whom is a vulnerable elderly person as defined in subdivision three of section 260.31 of this chapter, by false or fraudulent pretenses, representations or promises, and so obtains property with a value in excess of fifty thousand dollars from one or more such persons.

2. In any prosecution under this section, it shall be necessary to prove the identity of at least one person from whom the defendant so obtained property, but it shall not be necessary to prove the identity of any other intended victim, provided that in any prosecution under paragraph (c) of subdivision one of this section, it shall be necessary to prove the identity of at least one such vulnerable elderly person as defined in subdivision three of section 260.31 of this chapter.

Scheme to defraud in the first degree is a class B felony.

§ 5. Section 200.00 of the penal law, as amended by chapter 833 of the laws of 1986, is amended to read as follows:

§ 200.00 Bribery in the third degree.

A person is guilty of bribery in the third degree when [~~he~~] such person confers, or offers or agrees to confer, any benefit upon a public servant [~~upon an agreement or understanding that~~] with the intent to influence such public servant's vote, opinion, judgment, action, decision or exercise of discretion as a public servant [~~will thereby be influenced~~].

Bribery in the third degree is a class D felony.

§ 6. Section 200.03 of the penal law, as amended by section 18 of subpart A of part H of chapter 55 of the laws of 2014, is amended to read as follows:

§ 200.03 Bribery in the second degree.

A person is guilty of bribery in the second degree when [~~he~~] such person confers, or offers or agrees to confer, any benefit valued in excess of five thousand dollars upon a public servant [~~upon an agreement or understanding that~~] with the intent to influence such public servant's vote, opinion, judgment, action, decision or exercise of discretion as a public servant [~~will thereby be influenced~~].

Bribery in the second degree is a class C felony.

§ 7. Section 200.04 of the penal law, as amended by section 19 of subpart A of part H of chapter 55 of the laws of 2014, is amended to read as follows:

§ 200.04 Bribery in the first degree.

A person is guilty of bribery in the first degree when [~~the~~] such person confers, or offers or agrees to confer: (1) any benefit upon a public servant [~~upon an agreement or understanding that~~] with the intent to influence such public servant's vote, opinion, judgment, action, decision or exercise of discretion as a public servant [~~will thereby be influenced~~] in the investigation, arrest, detention, prosecution or incarceration of any person for the commission or alleged commission of a class A felony defined in article two hundred twenty of this part or an attempt to commit any such class A felony; or (2) any benefit valued in excess of one hundred thousand dollars upon a public servant [~~upon an agreement or understanding that~~] with the intent to influence such public servant's vote, opinion, judgment, action, decision or exercise of discretion as a public servant [~~will thereby be influenced~~].

Bribery in the first degree is a class B felony.

§ 8. Section 200.10 of the penal law, as amended by section 21 of subpart A of part H of chapter 55 of the laws of 2014, is amended to read as follows:

§ 200.10 Bribe receiving in the third degree.

A public servant is guilty of bribe receiving in the third degree when [~~he or she~~] **such public servant** solicits, accepts or agrees to accept any benefit from another person [~~upon an agreement or understanding that his or her~~] **with the intent to influence such public servant's** vote, opinion, judgment, action, decision or exercise of discretion as a public servant will thereby be influenced.

Bribe receiving in the third degree is a class D felony.

§ 9. Section 200.11 of the penal law, as amended by section 22 of subpart A of part H of chapter 55 of the laws of 2014, is amended to read as follows:

§ 200.11 Bribe receiving in the second degree.

A public servant is guilty of bribe receiving in the second degree when [~~he or she~~] **such public servant** solicits, accepts or agrees to accept any benefit valued in excess of five thousand dollars from another person [~~upon an agreement or understanding that his or her~~] **with the intent to influence such public servant's** vote, opinion, judgment, action, decision or exercise of discretion as a public servant will thereby be influenced.

Bribe receiving in the second degree is a class C felony.

§ 10. Section 200.12 of the penal law, as amended by section 23 of subpart A of part H of chapter 55 of the laws of 2014, is amended to read as follows:

§ 200.12 Bribe receiving in the first degree.

A public servant is guilty of bribe receiving in the first degree when [~~he or she~~] **such public servant** solicits, accepts or agrees to accept: (a) any benefit from another person [~~upon an agreement or understanding that his or her~~] **with the intent to influence such public servant's** vote, opinion, judgment, action, decision or exercise of discretion as a public servant will thereby be influenced in the investigation, arrest, detention, prosecution or incarceration of any person for the commission or alleged commission of a class A felony defined in article two hundred twenty of this part or an attempt to commit any such class A felony; or (b) any benefit valued in excess of one hundred thousand dollars from another person [~~upon an agreement or understanding that~~] **with the intent to influence** such public servant's vote, opinion, judgment, action, decision or exercise of discretion as a public servant will thereby be influenced.

Bribe receiving in the first degree is a class B felony.

§ 11. Sections 180.03, 180.05 and 180.08 of the penal law, as amended by chapter 577 of the laws of 1983, are amended to read as follows:

§ 180.03 Commercial bribing in the first degree.

A person is guilty of commercial bribing in the first degree when [~~he~~] **such person** confers, or offers or agrees to confer, any benefit upon any employee, agent or fiduciary without the consent of the latter's employer or principal, with intent to influence [~~his~~] **such person's** conduct in relation to [~~his~~] **such person's** employer's or principal's affairs, and when the value of the benefit conferred or offered or agreed to be conferred exceeds one thousand dollars [~~and causes economic harm to the employer or principal in an amount exceeding two hundred fifty dollars~~].

Commercial bribing in the first degree is a class E felony.

§ 180.05 Commercial bribe receiving in the second degree.

An employee, agent or fiduciary is guilty of commercial bribe receiving in the second degree when, without the consent of [~~his~~] **such person's** employer or principal, [~~he~~] **such person** solicits, accepts or agrees to accept any benefit from another person upon an agreement or

understanding and with the intent that such benefit will influence [~~his~~] such person's conduct in relation to [~~his~~] their employer's or principal's affairs.

Commercial bribe receiving in the second degree is a class A misdemeanor.

§ 180.08 Commercial bribe receiving in the first degree.

An employee, agent or fiduciary is guilty of commercial bribe receiving in the first degree when, without the consent of [~~his~~] such person's employer or principal, [~~he~~] such person solicits, accepts or agrees to accept any benefit from another person upon an agreement or understanding and with the intent that such benefit will influence [~~his~~] such person's conduct in relation to [~~his~~] their employer's or principal's affairs, and when the value of the benefit solicited, accepted or agreed to be accepted exceeds one thousand dollars [~~and causes economic harm to the employer or principal in an amount exceeding two hundred fifty dollars~~].

Commercial bribe receiving in the first degree is a class E felony.

§ 12. Subdivision 10 of section 470.00 of the penal law is renumbered subdivision 11 and a new subdivision 10 is added to read as follows:

10. "Structuring" means, for the purposes of sections 470.30 and 470.31 of this article, when a person conducts or attempts to conduct one or more related transactions in currency, in any amount, with one or more financial institutions, on one or more days with the intent to evade any reporting requirement under the banking law, 31 U.S.C. §§ 5311 through 5326, or any regulation prescribed thereunder. Structuring includes, but is not limited to, the breaking down of a single sum of currency exceeding ten thousand dollars into smaller sums, including sums at or below ten thousand dollars, or the conducting of a transaction, or series of currency transactions, including transactions at or below ten thousand dollars.

§ 13. The penal law is amended by adding two new sections 470.30 and 470.31 to read as follows:

§ 470.30 Structuring in the second degree.

A person is guilty of structuring in the second degree when, with the intent to evade any reporting requirement under the banking law, 31 U.S.C. §§ 5311 through 5326, or any regulation prescribed thereunder, such person structures one or more transactions.

Structuring in the second degree is a class E felony.

§ 470.31 Structuring in the first degree.

A person is guilty of structuring in the first degree when such person commits the crime of structuring in the second degree and:

1. the conduct is committed with an intent to commit another crime or to aid or conceal the commission of another crime; or

2. the aggregate value of the currency reported or the currency that should have been reported exceeds one hundred thousand dollars in any twelve-month period.

Structuring in the first degree is a class D felony.

§ 14. Section 195.20 of the penal law, as amended by chapter 1 of the laws of 2010, is amended to read as follows:

§ 195.20 Defrauding the government in the fourth degree.

A person is guilty of defrauding the government in the fourth degree when[~~, being a public servant or party officer, he or she~~] such person:

(a) engages in a scheme constituting a systematic ongoing course of conduct with intent to:

(i) defraud the state or a political subdivision of the state or a governmental instrumentality within the state or to obtain property,

services or other resources from the state or a political subdivision of the state or a governmental instrumentality within the state by false or fraudulent pretenses, representations or promises; [~~or~~]

(ii) defraud the state or a political subdivision of the state or a governmental instrumentality within the state by making use of property, services or resources of the state, political subdivision of the state or a governmental instrumentality within the state for private business purposes or other compensated non-governmental purposes; [~~and~~] or

(iii) defraud the state or a political subdivision of the state or a public authority, public benefit corporation, or municipal corporation of the state, or any instrumentality thereof, of one or more forms of revenue, and so evades payment of any tax, insurance premium, contribution, or fee, or any portion thereof, owed to the state or a political subdivision, public authority, public benefit corporation or municipal corporation of the state or any instrumentality thereof; and

(b) (i) with respect to an offense charged under paragraph (i) or (ii) of subdivision (a) of this section, so obtains property, services or other resources with a value in excess of [~~one~~] ten thousand dollars from such state, political subdivision or governmental instrumentality; or

(ii) with respect to an offense charged under paragraph (iii) of subdivision (a) of this section, the aggregate unpaid tax, premium, contribution, or fee owed exceeds ten thousand dollars.

Defrauding the government in the fourth degree is a class E felony.

§ 15. The penal law is amended by adding three new sections 195.22, 195.25 and 195.27 to read as follows:

§ 195.22 Defrauding the government in the third degree.

A person is guilty of defrauding the government in the third degree when such person:

(a) engages in a scheme constituting a systematic ongoing course of conduct with intent to:

(i) defraud the state or a political subdivision of the state or a governmental instrumentality within the state or to obtain property, services or other resources from the state or a political subdivision of the state or a governmental instrumentality within the state by false or fraudulent pretenses, representations or promises;

(ii) defraud the state or a political subdivision of the state or a governmental instrumentality within the state by making use of property, services or resources of the state, political subdivision of the state or a governmental instrumentality within the state for private business purposes or other compensated non-governmental purposes; or

(iii) defraud the state or a political subdivision of the state or a public authority, public benefit corporation, or municipal corporation of the state, or any instrumentality thereof, of one or more forms of revenue, and so evades payment of any tax, insurance premium, contribution, or fee, or any portion thereof, owed to the state or a political subdivision, public authority, public benefit corporation or municipal corporation of the state or any instrumentality thereof; and

(b) (i) with respect to an offense charged under paragraph (i) or (ii) of subdivision (a) of this section, so obtains property, services or other resources with a value in excess of seventy-five thousand dollars from such state, political subdivision or governmental instrumentality; or

(ii) with respect to an offense charged under paragraph (iii) of subdivision (a) of this section, the aggregate unpaid tax, premium, contribution, or fee owed exceeds seventy-five thousand dollars.

Defrauding the government in the third degree is a class D felony.

§ 195.25 Defrauding the government in the second degree.

A person is guilty of defrauding the government in the second degree when such person:

(a) engages in a scheme constituting a systematic ongoing course of conduct with intent to:

(i) defraud the state or a political subdivision of the state or a governmental instrumentality within the state or to obtain property, services or other resources from the state or a political subdivision of the state or a governmental instrumentality within the state by false or fraudulent pretenses, representations or promises;

(ii) defraud the state or a political subdivision of the state or a governmental instrumentality within the state by making use of property, services or resources of the state, political subdivision of the state or a governmental instrumentality within the state for private business purposes or other compensated non-governmental purposes; or

(iii) defraud the state or a political subdivision of the state or a public authority, public benefit corporation, or municipal corporation of the state, or any instrumentality thereof, of one or more forms of revenue, and so evades payment of any tax, insurance premium, contribution, or fee, or any portion thereof, owed to the state or a political subdivision, public authority, public benefit corporation or municipal corporation of the state or any instrumentality thereof; and

(b) (i) with respect to an offense charged under paragraph (i) or (ii) of subdivision (a) of this section, so obtains property, services or other resources with a value in excess of one hundred thousand dollars from such state, political subdivision or governmental instrumentality; or

(ii) with respect to an offense charged under paragraph (iii) of subdivision (a) of this section, the aggregate unpaid tax, premium, contribution, or fee owed exceeds one hundred thousand dollars.

Defrauding the government in the second degree is a class C felony.

§ 195.27 Defrauding the government in the first degree.

A person is guilty of defrauding the government in the first degree when such person:

(a) engages in a scheme constituting a systematic ongoing course of conduct with intent to:

(i) defraud the state or a political subdivision of the state or a governmental instrumentality within the state or to obtain property, services or other resources from the state or a political subdivision of the state or a governmental instrumentality within the state by false or fraudulent pretenses, representations or promises;

(ii) defraud the state or a political subdivision of the state or a governmental instrumentality within the state by making use of property, services or resources of the state, political subdivision of the state or a governmental instrumentality within the state for private business purposes or other compensated non-governmental purposes; or

(iii) defraud the state or a political subdivision of the state or a public authority, public benefit corporation, or municipal corporation of the state, or any instrumentality thereof, of one or more forms of revenue, and so evades payment of any tax, insurance premium, contribution, or fee, or any portion thereof, owed to the state or a political subdivision, public authority, public benefit corporation or municipal corporation of the state or any instrumentality thereof; and

(b) (i) with respect to an offense charged under paragraph (i) or (ii) of subdivision (a) of this section, so obtains property, services or

other resources with a value in excess of two hundred fifty thousand dollars from such state, political subdivision or governmental instrumentality; or

(ii) with respect to an offense charged under paragraph (iii) of subdivision (a) of this section, the aggregate unpaid tax, premium, contribution, or fee owed exceeds two hundred fifty thousand dollars.

Defrauding the government in the first degree is a class B felony.

§ 16. Subdivision 2 of section 20.40 of the criminal procedure law is amended by adding a new paragraph (f) to read as follows:

(f) The event caused a financial loss of more than one thousand dollars to the state or a political subdivision thereof, including, but not limited to, any agency or instrumentality of the state or any political subdivision thereof.

§ 17. Subdivision 1 of section 155.00 of the penal law, as amended by chapter 353 of the laws of 2023, is amended and a new subdivision 17 is added to read as follows:

1. "Property" means any money, compensation for labor or services, personal property, real property, computer data, computer program, thing in action, evidence of debt or contract, virtual currency as defined in paragraph (p) of section 200.2 of title twenty-three of the New York Codes, Rules and Regulations, or any article, substance or thing of value, including any gas, steam, water or electricity, which is provided for a charge or compensation.

17. "Virtual currency" means any type of digital unit that is used as a medium of exchange or a form of digitally stored value. Virtual currency shall be broadly construed to include digital units of exchange that: (a) have a centralized repository or administrator; (b) are decentralized and have no centralized repository or administrator; or (c) may be created or obtained by computing or manufacturing effort. Virtual currency shall not be construed to include: (a) digital units that: (i) are used solely within online gaming platforms; (ii) have no market or application outside of those gaming platforms; (iii) cannot be converted into, or redeemed for, fiat currency or virtual currency; and (iv) may or may not be redeemable for real-world goods, services, discounts, or purchases; (b) digital units that can be redeemed for goods, services, discounts, or purchases as part of a customer affinity or rewards program with the issuer and/or other designated merchants or can be redeemed for digital units in another customer affinity or rewards program, but cannot be converted into, or redeemed for, fiat currency or virtual currency; or (c) digital units used as part of prepaid cards.

§ 18. Subdivision 1 of section 470.00 of the penal law, as amended by chapter 489 of the laws of 2000, is amended to read as follows:

1. "Monetary instrument" means coin and currency of the United States or of any other country; virtual currency as defined in section 155.00 of this chapter; personal checks; bank checks; traveler's checks; money orders; and investment securities and negotiable instruments, in bearer form or otherwise, in such form that title thereto passes on delivery, except that "monetary instrument" shall not include payments to attorneys for legal services.

§ 19. Subdivision 3 of section 470.00 of the penal law, as amended by chapter 489 of the laws of 2000, is amended to read as follows:

3. (a) "Transaction" includes a payment, purchase, sale, loan, pledge, gift, transfer, or delivery, and with respect to a financial institution includes a deposit, withdrawal, transfer between accounts, exchange of currency, loan, extension of credit, purchase or sale of any stock, bond, certificate of deposit, or other monetary instrument, use of a

safe deposit box, or any other payment, transfer, or delivery by, through, or to a financial institution, by whatever means effected, except that "transaction" shall not include payments to attorneys for legal services.

(b) With respect to virtual currency, "transaction" includes:

(i) receiving virtual currency or transmitting virtual currency;

(ii) the conversion or exchange of fiat currency or other value into virtual currency;

(iii) the conversion or exchange of virtual currency into fiat currency or other value;

(iv) the conversion or exchange of one form of virtual currency into another form of virtual currency;

(v) storing, holding, or maintaining custody or control of virtual currency; and

(vi) controlling, administering, or issuing a virtual currency.

The development and dissemination of software in and of itself does not constitute a virtual currency transaction.

§ 20. Section 450.10 of the penal law is amended by adding a new subdivision 12 to read as follows:

12. When fraudulent proceeds, as defined in paragraph (a) of this subdivision, are in the custody or control of the court, a police officer, a peace officer, or a district attorney, or have been seized pursuant to a search warrant and are held by a third party, no later than ninety days after the seizure or recovery of such fraudulent proceeds, a police officer, a peace officer, or a district attorney shall identify to the court the owner or owners of such fraudulent proceeds as defined in subdivision five of section 155.00 of this chapter, and any other person who may have an interest therein, and give notice of said seizure to such persons by certified or registered mail, or by other means, including, but not limited to, electronic means, if sufficient and appropriate under the circumstances.

(a) For the purposes of this subdivision, fraudulent proceeds means any virtual currency, as defined in paragraph (p) of section 200.2 of title 23 of the New York Codes, Rules and Regulations, that is (i) obtained through the commission of a larceny or a fraudulent scheme or transaction, (ii) traceable to property obtained through the commission of a larceny or a fraudulent scheme or transaction, or (iii) obtained through the sale or exchange of property obtained through the commission of a larceny or a fraudulent scheme or transaction; and including any appreciation in value of such property.

(b) Upon identifying to the court the owner or owners of such fraudulent proceeds and any other person who may have an interest therein, a police officer, a peace officer, or a district attorney may petition the court to order that such fraudulent proceeds be returned to its owner or owners.

(c) Any person asserting a claim to such fraudulent proceeds, other than the owner or owners identified in the petition referenced above, must file a written request for a hearing within sixty days from when notice was provided. Upon such a written request, the court shall promptly, but not less than two weeks after such a request is made, hold a hearing.

(d) If no request for a hearing is made, the court may hold a hearing before ordering that the fraudulent proceeds be returned to its owner or owners.

(e) At such a hearing, the court shall hear evidence, make findings of fact, enter conclusions of law, and issue a final order from which

the parties shall have a right of appeal. The district attorney shall have the initial burden of proving by clear and convincing evidence that the subject property is fraudulent proceeds and the identity of the owner or owners. On that showing, the burden shall shift to the claimant to prove by clear and convincing evidence that they did not know and could not have reasonably known that such property was being used or was intended to be used in, or was derived from, criminal activity. Upon a showing of clear and convincing evidence of ownership of the fraudulent proceeds, the court shall order such fraudulent proceeds be returned to its owner as soon as reasonably practicable.

(f) The release of property pursuant to this section does not require an accusatory instrument be filed against a criminal defendant.

§ 21. Paragraph (a) of subdivision 8 of section 190.30 of the criminal procedure law, as added by chapter 279 of the laws of 2008, is amended to read as follows:

(a) A business record as defined in rule forty-five hundred eighteen of the civil practice law and rules generated by a business entity may be received in such grand jury proceedings as evidence [~~of the following facts and similar facts stated therein:~~

~~(i) a person's use of, subscription to and charges and payments for communication equipment and services including but not limited to equipment or services provided by telephone companies and internet service providers, but not including recorded conversations or images communicated thereby; and~~

~~(ii) financial transactions, and a person's ownership or possessory interest in any account, at a bank, insurance company, brokerage, exchange or banking organization as defined in section two of the banking law~~].

§ 22. Paragraph (c) of subdivision 8 of section 190.30 of the criminal procedure law, as added by chapter 279 of the laws of 2008, is amended to read as follows:

(c) Any business record offered to a grand jury pursuant to paragraph (a) of this subdivision that includes material [~~beyond that described in such paragraph (a)~~] outside the scope of the business record as regularly generated shall be redacted to exclude such additional material, or received subject to a limiting instruction that the grand jury shall not consider such additional material in support of any criminal charge.

§ 23. Section 190.30 of the criminal procedure law is amended by adding a new subdivision 9 to read as follows:

9. A record generated by an electronic process, computer, cryptographically secured technology, or system, that procures an accurate result may be received in such grand jury proceedings as evidence if it is accompanied by a written declaration of a qualified person, made under oath, stating the qualification of the person to make the certification, the date and time the record was generated, and that the record was maintained as a regular conducted process.

§ 24. Section 80.10 of the penal law is amended by adding a new subdivision 4 to read as follows:

4. Corporate equity fines. (a) Notwithstanding any other provision of this section, in any criminal proceeding where a corporation doing business in New York state with annual revenues exceeding one hundred million dollars is convicted of a felony offense under the laws of this state, the court, in addition to or in lieu of any other penalty authorized by law, may impose an equity fine. An equity fine shall consist of a judicially determined percentage of the corporation's equity, which

shall be issued as new, non-voting shares to a state-managed fund or a designated victim compensation fund.

(b) The court may determine the percentage of the equity fine based upon the severity of the offense, the extent of the harm caused, the corporation's history of similar misconduct, the degree of complicity by senior management, and the need for both specific and general deterrence. The percentage shall be sufficient to impose a meaningful economic sanction on the corporation and its shareholders. The court may consider, but shall not be limited to, the following factors in determining such percentage:

(i) The total pecuniary gain to the corporation from the offense;

(ii) The total pecuniary loss caused by the offense to victims;

(iii) The market capitalization of the corporation at the time of sentencing;

(iv) The effectiveness of the corporation's internal compliance programs at the time of the offense; and

(v) Any remedial actions taken by the corporation, including cooperation with the prosecution and restitution to victims.

(c) The convicted corporation shall be required to issue new, non-voting shares equal to the determined percentage of its total equity. These shares shall be registered and transferred to a fund established by the New York state comptroller or a specific victim compensation fund as designated by the court. The shares shall be held by the state until such time as their sale would maximize public benefit or victim compensation, as determined by the administering entity, but in no event shall the state or its designated fund exercise any voting rights associated with such shares.

(d) The shares issued as an equity fine shall be explicitly designated as non-voting shares.

(e) This subdivision shall not apply to closely held corporations where the imposition of an equity fine would disproportionately penalize a small number of individual owners who may also be directly subject to criminal prosecution. The court shall have discretion to determine whether a corporation is closely held for the purposes of this exemption.

§ 25. The penal law is amended by adding a new section 155.50 to read as follows:

§ 155.50 Sentencing.

When a person is convicted of an offense pursuant to this article, or is convicted of an attempt or conspiracy to commit an offense under this article, and the victim is aged sixty-five years or older and the defendant is more than ten years younger than the victim, the crime shall be deemed to be one category higher than the specified offense the defendant committed, or one category higher than the offense level applicable to the defendant's conviction for an attempt or conspiracy to commit a specified offense, whichever is applicable.

§ 26. Subdivision 2 of section 496.06 of the penal law, as added by section 14 of subpart A of part H of chapter 55 of the laws of 2014, is amended to read as follows:

2. A "specified offense" is an offense defined by any of the following provisions of this chapter: section 155.25 (petit larceny); section 155.30 (grand larceny in the fourth degree); section 155.35 (grand larceny in the third degree); section 155.40 (grand larceny in the second degree); section 155.42 (grand larceny in the first degree); section 190.60 (scheme to defraud in the [~~second~~] fifth degree); [~~or~~] section 190.65 (scheme to defraud in the [~~first~~] fourth degree); section

190.66 (scheme to defraud in the third degree); section 190.67 (scheme to defraud in the second degree); or section 190.68 (scheme to defraud in the first degree).

§ 27. Paragraph (a) of subdivision 1 of section 460.10 of the penal law, as amended by chapter 134 of the laws of 2019, is amended to read as follows:

(a) Any of the felonies set forth in this chapter: sections 120.05, 120.10 and 120.11 relating to assault; sections 121.12 and 121.13 relating to strangulation; sections 125.10 to 125.27 relating to homicide; sections 130.25, 130.30 and 130.35 relating to rape; sections 135.20 and 135.25 relating to kidnapping; sections 135.35 and 135.37 relating to labor trafficking; section 135.65 relating to coercion; sections 140.20, 140.25 and 140.30 relating to burglary; sections 145.05, 145.10 and 145.12 relating to criminal mischief; article one hundred fifty relating to arson; sections 155.30, 155.35, 155.40 and 155.42 relating to grand larceny; sections 177.10, 177.15, 177.20 and 177.25 relating to health care fraud; article one hundred sixty relating to robbery; sections 165.45, 165.50, 165.52 and 165.54 relating to criminal possession of stolen property; sections 165.72 and 165.73 relating to trademark counterfeiting; sections 170.10, 170.15, 170.25, 170.30, 170.40, 170.65 and 170.70 relating to forgery; sections 175.10, 175.25, 175.35, 175.40 and 210.40 relating to false statements; sections 176.15, 176.20, 176.25 and 176.30 relating to insurance fraud; sections 178.20 and 178.25 relating to criminal diversion of prescription medications and prescriptions; sections 180.03, 180.08, 180.15, 180.25, 180.40, 180.45, 200.00, 200.03, 200.04, 200.10, 200.11, 200.12, 200.20, 200.22, 200.25, 200.27, 200.56, 215.00, 215.05 and 215.19 relating to bribery; sections 187.10, 187.15, 187.20 and 187.25 relating to residential mortgage fraud, sections 190.40 and 190.42 relating to criminal usury; [~~section~~] sections 190.60, 190.65, 190.66, 190.67 and 190.68 relating to schemes to defraud; any felony defined in article four hundred ninety-six; sections 205.60 and 205.65 relating to hindering prosecution; sections 210.10, 210.15, and 215.51 relating to perjury and contempt; section 215.40 relating to tampering with physical evidence; sections 220.06, 220.09, 220.16, 220.18, 220.21, 220.31, 220.34, 220.39, 220.41, 220.43, 220.46, 220.55, 220.60, 220.65 and 220.77 relating to controlled substances; sections 225.10 and 225.20 relating to gambling; sections 230.25, 230.30, and 230.32 relating to promoting prostitution; section 230.34 relating to sex trafficking; section 230.34-a relating to sex trafficking of a child; sections 235.06, 235.07, 235.21 and 235.22 relating to obscenity; sections 263.10 and 263.15 relating to promoting a sexual performance by a child; sections 265.02, 265.03, 265.04, 265.11, 265.12, 265.13 and the provisions of section 265.10 which constitute a felony relating to firearms and other dangerous weapons; sections 265.14 and 265.16 relating to criminal sale of a firearm; section 265.50 relating to the criminal manufacture, sale or transport of an undetectable firearm, rifle or shotgun; section 275.10, 275.20, 275.30, or 275.40 relating to unauthorized recordings; sections 470.30 and 470.31 relating to structuring; and sections 470.05, 470.10, 470.15 and 470.20 relating to money laundering; or

§ 28. Paragraph f of subdivision 1 of section 410 of the general business law, as amended by chapter 189 of the laws of 2018, is amended to read as follows:

f. Conviction of any of the following crimes subsequent to the issuance of a license or registration pursuant to this article: fraud pursuant to sections 170.10, 170.15, 176.15, 176.20, 176.25, 176.30 [~~and~~];

schemes to defraud pursuant to sections 190.60, 190.65, 190.66, 190.67 and 190.68; falsifying business records pursuant to section 175.10; structuring pursuant to sections 470.30 and 470.31; grand larceny pursuant to article 155; bribery pursuant to sections 180.03, 180.08, 180.15, 180.25, 200.00, 200.03, 200.04, 200.10, 200.11, 200.12, 200.45, 200.50; perjury pursuant to sections 210.10, 210.15, 210.40; assault pursuant to sections 120.05, 120.10, 120.11, 120.12; robbery pursuant to article 160; homicide pursuant to sections 125.25 and 125.27; manslaughter pursuant to sections 125.15 and 125.20; kidnapping and unlawful imprisonment pursuant to sections 135.10, 135.20 and 135.25; unlawful weapons possession pursuant to sections 265.02, 265.03 and 265.04; criminal use of a weapon pursuant to sections 265.08 and 265.09; criminal sale of a weapon pursuant to sections 265.11 and 265.12; compelling prostitution pursuant to section 230.33; sex trafficking pursuant to section 230.34; sex trafficking of a child pursuant to section 230.34-a; and sex offenses pursuant to article 130 of the penal law. Provided, however, that for the purposes of this article, none of the following shall be considered criminal convictions or reported as such: (i) a conviction for which an executive pardon has been issued pursuant to the executive law; (ii) a conviction which has been vacated and replaced by a youthful offender finding pursuant to article seven hundred twenty of the criminal procedure law, or the applicable provisions of law of any other jurisdiction; or (iii) a conviction the records of which have been expunged or sealed pursuant to the applicable provisions of the laws of this state or of any other jurisdiction; and (iv) a conviction for which other evidence of successful rehabilitation to remove the disability has been issued.

§ 29. Clause (ii) of subparagraph 2 of paragraph b of subdivision 3 of section 220-b of the labor law, as amended by chapter 7 of the laws of 2008, is amended to read as follows:

(ii) coercion in the first degree as defined in section 135.65 of the penal law, grand larceny in the fourth degree as defined in section 155.30 of the penal law, grand larceny in the third degree as defined in section 155.35 of the penal law, grand larceny in the second degree as defined in section 155.40 of the penal law, grand larceny in the first degree as defined in section 155.42 of the penal law, forgery in the second degree as defined in section 170.10 of the penal law, forgery in the first degree as defined in section 170.15 of the penal law, criminal possession of a forged instrument in the second degree as defined in section 170.25 of the penal law, criminal possession of a forged instrument in the first degree as defined in section 170.30 of the penal law, criminal possession of forgery devices as defined in section 170.40 of the penal law, falsifying business records in the first degree as defined in section 175.10 of the penal law, tampering with public records in the first degree as defined in section 175.25 of the penal law, offering a false instrument for filing in the first degree as defined in section 175.35 of the penal law, issuing a false certificate as defined in section 175.40 of the penal law, insurance fraud in the fourth degree as defined in section 176.15 of the penal law, insurance fraud in the third degree as defined in section 176.20 of the penal law, insurance fraud in the second degree as defined in section 176.25 of the penal law, insurance fraud in the first degree as defined in section 176.30 of the penal law, aggravated insurance fraud as defined in section 176.35 of the penal law, commercial bribing in the first degree as defined in section 180.03 of the penal law, commercial bribe receiving in the first degree as defined in section 180.08 of the penal law,

bribing a labor official as defined in section 180.15 of the penal law, bribe receiving by a labor official as defined in section 180.25 of the penal law, criminal impersonation in the second degree as defined in section 190.25 of the penal law, criminal impersonation in the first degree as defined in section 190.26 of the penal law, criminal usury in the second degree as defined in section 190.40 of the penal law, criminal usury in the first degree as defined in section 190.42 of the penal law, **scheme to defraud in the fifth degree as defined in section 190.60 of the penal law, scheme to defraud in the fourth degree as defined in section 190.65 of the penal law, scheme to defraud in the third degree as defined in section 190.66 of the penal law,** scheme to defraud in the [~~first~~] **second** degree as defined in section [~~190.65~~] **190.67** of the penal law, **scheme to defraud in the first degree as defined in section 190.68 of the penal law,** bribery in the third degree as defined in section 200.00 of the penal law, bribery in the second degree as defined in section 200.03 of the penal law, bribery in the first degree as defined in section 200.04 of the penal law, bribe receiving in the third degree as defined in section 200.10 of the penal law, bribe receiving in the second degree as defined in section 200.11 of the penal law, bribe receiving in the first degree as defined in section 200.12 of the penal law, rewarding official misconduct in the second degree as defined in section 200.20 of the penal law, rewarding official misconduct in the first degree as defined in section 200.22 of the penal law, bribe giving for public office as defined in section 200.45 of the penal law, **structuring in the second degree as defined in section 470.30 of the penal law, structuring in the first degree as defined in section 470.31 of the penal law,** or the attempted commission of any of the offenses set forth in this [~~paragraph~~] **clause**, provided that such offense constitutes a felony; or

§ 30. Paragraphs (i) and (ii) of subdivision (a) of section 1-c of the legislative law, as added by section 29 of subpart A of part H of chapter 55 of the laws of 2014, are amended to read as follows:

(i) Any individual who stands convicted of a felony defined in article two hundred or four hundred ninety-six or section 195.20**, 195.22, 195.25, or 195.27** of the penal law may not be retained, employed or designated by any client to engage in lobbying for compensation.

(ii) Any individual who stands convicted of a misdemeanor defined in article two hundred, article four hundred ninety-six, section 195.00 or an attempt to commit a violation of section 195.20**, 195.22, 195.25, or 195.27** of the penal law may not be retained, employed or designated by any client to engage in lobbying for compensation for a period of five years from the date of conviction, provided that in the event such conviction is the result of a plea agreement resulting in a plea to such charge in lieu of a plea or conviction of a felony defined in section 195.20**, 195.22, 195.25, or 195.27**, article two hundred or article four hundred ninety-six of the penal law, all parties to such agreement may agree that the period of such bar may be for a period of up to ten years from the date of conviction.

§ 31. Subdivision 1-a of section 3 of the public officers law, as added by section 31-b of subpart A of part H of chapter 55 of the laws of 2014, is amended to read as follows:

1-a. (i) No person shall be capable of holding a civil office who shall stand convicted of a felony defined in article two hundred or four hundred ninety-six or section 195.20**, 195.22, 195.25, or 195.27** of the penal law.

(ii) Any individual who stands convicted of a misdemeanor defined in article two hundred, article four hundred ninety-six or section 195.00 of the penal law may not hold civil office for a period of five years from the date of conviction, provided that in the event such conviction is the result of a plea agreement resulting in a plea to such charge in lieu of a plea or conviction of a felony defined in section 195.20**, 195.22, 195.25, or 195.27**, article two hundred or article four hundred ninety-six of the penal law, all parties to such agreement may agree that the period of such bar may be for a period of up to ten years from the date of conviction.

§ 32. The opening paragraph and paragraph (i) of subdivision (b) of section 139-a of the state finance law, as amended by section 30 of subpart A of part H of chapter 55 of the laws of 2014, are amended to read as follows:

upon the conviction of any person of a crime defined in article two hundred or four hundred ninety-six or section 195.20**, 195.22, 195.25, or 195.27** of the penal law,

(i) such person, and any firm, partnership or corporation of which [~~he is~~] **they are** a member, partner, director or officer shall be disqualified from thereafter selling to or submitting bids to or receiving awards from or entering into any contracts with the state or any public department, agency or official thereof, for goods, work or services, for a period of five years after such refusal, a period of five years upon a conviction of a misdemeanor defined in article two hundred or article four hundred ninety-six or an attempt to commit a violation of section 195.20**, 195.22, 195.25, or 195.27** of the penal law, provided that in the event such conviction is the result of a plea agreement resulting in a plea to such charge in lieu of a plea or conviction of a felony defined in section 195.20**, 195.22, 195.25, or 195.27**, article two hundred or article four hundred ninety-six of the penal law, all parties to such agreement may agree that the period of such bar may be for a period of up to ten years from the date of conviction, or upon conviction of a felony defined in article two hundred or four hundred ninety-six or section 195.20**, 195.22, 195.25, or 195.27** of the penal law, for life, any convicted firm, partnership or corporation is disqualified for its existence and to provide also that

§ 33. Subdivision 2 of section 139-b of the state finance law, as added by section 31 of subpart A of part H of chapter 55 of the laws of 2014, is amended to read as follows:

2. Any person who stands convicted of a felony defined in article two hundred or four hundred ninety-six or section 195.20**, 195.22, 195.25, or 195.27** of the penal law, and any firm, partnership or corporation that stands convicted of such crime shall be disqualified from thereafter selling to or submitting bids to or receiving awards from or entering into any contracts with the state or any public department, agency or official thereof, for goods, work or services. In the event a person or firm, partnership or corporation is so convicted, the office responsible for prosecuting such offense shall send notice of such conviction to the state commissioner of general services, and to the office of the state comptroller and such appropriate departments, agencies and officials of the state, political subdivisions thereof or public authorities with whom the person or the firm, partnership or corporation is known to have a contract.

§ 34. Subdivision 1-a of section 139-c of the state finance law, as added by section 31-a of subpart A of part H of chapter 55 of the laws of 2014, is amended to read as follows:

1-a. Any firm, partnership, or corporation which has become subject to the cancellation or termination of a contract or disqualification to contract on account of conviction of a crime defined in article two hundred or four hundred ninety-six or section 195.20**, 195.22, 195.25, or 195.27** of the penal law, as provided in sections one hundred thirty-nine-a and one hundred thirty-nine-b of this article, may, upon thirty days' notice to the district attorney who conducted the action that led to the conviction, and the office of the state comptroller commence a special proceeding at a special term of the supreme court held within the judicial district in which the conviction was obtained for an order discontinuing such disqualification. The petition shall set forth the grounds, including that the firm, partnership, or corporation has taken sufficient actions to remove from responsibility officers and employees who engaged in the actions that formed the basis of the conviction, that the firm, partnership, or corporation has taken appropriate and sufficient actions to ensure that the actions that formed the basis of the conviction are unlikely to recur, and that it will not be in the public interest to cancel or terminate petitioner's contracts or to continue the disqualification, as provided in sections one hundred thirty-nine-a and one hundred thirty-nine-b of this article; provided further, at any time after such cancellation or disqualification any such firm, partnership or corporation may apply to the supreme court, upon notice as provided herein for an immediate termination of disqualification upon a reversal of the conviction upon which the debarment was imposed.

§ 35. Section 41 of the tax law, as added by section 36 of subpart A of part H of chapter 55 of the laws of 2014, is amended to read as follows:

§ 41. Limitations on tax credit eligibility. Any taxpayer who stands convicted, or who is a shareholder of an S corporation or partner in a partnership which is convicted, of an offense defined in article two hundred or four hundred ninety-six or section 195.20**, 195.22, 195.25, or 195.27** of the penal law shall not be eligible for any tax credit allowed under article nine, nine-A, thirty-two or thirty-three of this chapter or any business tax credit allowed under article twenty-two of this chapter. For purposes of this section, a business tax credit allowed under article twenty-two of this chapter is a tax credit allowed to taxpayers under article twenty-two which is substantially similar to a tax credit allowed to taxpayers under article nine-A of this chapter. In the event a person or firm, partnership or corporation is convicted of an offense defined in article two hundred or four hundred ninety-six or section 195.00 of the penal law, the office responsible for prosecuting such offense shall send notice of such conviction, together with the names of any firm, partnership or corporation of which the person is known to be a member, partner, officer or director, to the commissioner.

§ 36. This act shall take effect immediately.