

8928

I N A S S E M B L Y

(PREFILED)

January 4, 2012

Introduced by M. of A. NOLAN -- read once and referred to the Committee
on Banks

AN ACT to amend the banking law, in relation to requiring transmitters
of money to provide a certain warning to consumers

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-
BLY, DO ENACT AS FOLLOWS:

1 Section 1. The banking law is amended by adding a new section 652-c to
2 read as follows:
3 S 652-C. REQUIRED WARNING. 1. A PERSON ENGAGED IN THE BUSINESS OF
4 RECEIVING MONEY FOR TRANSMISSION OR TRANSMITTING MONEY BY WIRE OR ELEC-
5 TRONIC TRANSFER WHICH, AT THE REQUEST OF AN INDIVIDUAL WHO IN PERSON, BY
6 TELEPHONE OR ELECTRONIC MEANS TRANSMITS FUNDS TO ANOTHER PERSON, BUSI-
7 NESS OR ENTITY, SHALL CLEARLY AND PROMINENTLY WARN THE PERSON REQUESTING
8 THE TRANSMISSION PRIOR TO COMPLETING SUCH TRANSMISSION OF FUNDS AS
9 FOLLOWS:
10 "WARNING: PLEASE DO NOT FALL VICTIM TO CONSUMER FRAUD. ARE YOU SENDING
11 MONEY TO CLAIM LOTTERY WINNINGS? ARE YOU SENDING MONEY BECAUSE YOU WERE
12 GUARANTEED A CREDIT CARD OR LOAN? ARE YOU RESPONDING TO AN INTERNET OR
13 PHONE OFFER THAT YOU ARE NOT SURE IS HONEST? ARE YOU SENDING MONEY TO
14 SOMEONE YOU DO NOT KNOW OR WHOSE IDENTITY YOU CANNOT VERIFY? IF SO,
15 PLEASE ASK THE SALES CLERK OR REPRESENTATIVE TO STOP YOUR TRANSFER RIGHT
16 AWAY."
17 2. FOR THE PURPOSES OF THIS SECTION, "CLEARLY AND PROMINENTLY" MEANS:
18 (I) IN WRITTEN COMMUNICATIONS, INCLUDING PRINT AND THOSE MADE THROUGH AN
19 ELECTRONIC MEDIUM (SUCH AS VIDEO AND INTERACTIVE MEDIA INCLUDING, BUT
20 NOT LIMITED TO, THE INTERNET, ONLINE SERVICES, AND ELECTRONIC MAIL) THE
21 WARNING SHALL APPEAR ON THE SAME FORM AS THE FORM USED TO AUTHORIZE THE
22 TRANSMISSION OF FUNDS, SHALL BE IN A TYPE SIZE SUFFICIENTLY NOTICEABLE
23 FOR AN ORDINARY CONSUMER TO READ AND COMPREHEND THE WRITTEN WARNING AND
24 SHALL BE IN A TYPE THAT CONTRASTS WITH THE BACKGROUND AGAINST WHICH THE
25 WRITTEN WARNING APPEARS; AND (II) IN ORAL COMMUNICATIONS, THE WARNING
26 SHALL BE DELIVERED IN A VOLUME AND CADENCE SUFFICIENT FOR AN ORDINARY
27 CONSUMER TO HEAR AND COMPREHEND. IF ANY COMMUNICATION IS PRESENTED SOLE-

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

LBD13850-01-2

1 LY THROUGH ORAL, WRITTEN OR VISUAL MEANS, THE WARNING SHALL BE MADE
2 THROUGH THE SAME MEANS.

3 3. A VIOLATION OF THE PROVISIONS OF THIS SECTION SHALL BE PUNISHABLE
4 BY A CIVIL PENALTY OF NOT MORE THAN FIVE HUNDRED DOLLARS FOR EACH
5 VIOLATION.

6 S 2. This act shall take effect on the one hundred eightieth day after
7 it shall have become a law.