

6276

I N   S E N A T E

January 19, 2012

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Introduced by Sen. GIANARIS -- read twice and ordered printed, and when printed to be committed 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 ASSEMBLY, 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.

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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.