

6280

I N S E N A T E

January 9, 2014

Introduced by Sen. BALL -- read twice and ordered printed, and when
printed to be committed to the Committee on Consumer Protection

AN ACT to amend the general business law, in relation to prohibiting
issuers from accepting personal financial information of holders from
a third-party

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

1 Section 1. The general business law is amended by adding a new section
2 518-b to read as follows:
3 S 518-B. PROHIBITED CREDIT CARD USER INFORMATION REQUESTS. 1. ISSUERS
4 OF CREDIT CARDS AND DEBIT CARDS ARE PROHIBITED FROM KNOWINGLY ACCEPTING
5 OR SOLICITING THE PERSONAL FINANCIAL INFORMATION OF A HOLDER FROM A
6 THIRD-PARTY. PROVIDED, HOWEVER, THAT NO PROVISION OF THIS SECTION SHALL
7 BE DEEMED TO PROHIBIT AN ISSUER OF A CREDIT CARD OR DEBIT CARD FROM
8 ACCEPTING OR SOLICITING FROM A BANKING ORGANIZATION, AS DEFINED IN
9 SECTION TWO OF THE BANKING LAW, THE PERSONAL INFORMATION OF A HOLDER FOR
10 THE PURPOSE OF VERIFYING THE IDENTITY OF SUCH HOLDER AND PREVENT IMPROP-
11 ER OR UNAUTHORIZED USE.
12 2. A VIOLATION OF THE PROVISIONS OF THIS SECTION BY AN ISSUER SHALL BE
13 PUNISHABLE BY A CIVIL PENALTY NOT TO EXCEED TWO THOUSAND DOLLARS FOR
14 EACH SUCH VIOLATION.
15 S 2. This act shall take effect on the first of September next
16 succeeding the date on which it shall have become a law.

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

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