STATE OF NEW YORK

3273

2017-2018 Regular Sessions

IN SENATE

January 20, 2017

Introduced by Sen. PARKER -- 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 the use of social media websites for the purposes of collecting debts

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

Section 1. Subdivision 10 of section 601 of the general business law, as added by chapter 342 of the laws of 2011, is amended and a new subdivision 11 is added to read as follows:

10. If such principal creditor or agent sends more than fifty information subpoenas per month, fail to keep complete records concerning all information subpoenas sent by such principal creditor or agent. Such records shall be maintained for five years. Contemporaneous records shall be kept that set forth with specificity the grounds for such principal creditor or agent's reasonable belief, which must be certified and accompany each information subpoena pursuant to rule fifty-two hundred twenty-four of the civil practice law and rules, that the party receiving the subpoena has in its possession information about the debtor that will assist the creditor in collecting his or her judgement. In addition to any other penalty that [~~my~~] **may** be imposed, failure to maintain records in accordance with this subdivision shall subject such principal creditor or agent to a civil penalty of not more than fifty dollars per subpoena, up to a maximum of five thousand dollars per violation, in an action brought by the attorney general[~~.~~]**; or**

11. Use a social networking website as a means to collect on a consumer claim from a debtor. For purposes of this subdivision, "social networking website" means an internet-based service that allows individuals to: (a) construct a public or semi-public profile within a bounded system, created by the service; (b) create a list of other users with whom they share a connection within the system; and (c) view and navigate their list of connections and those made by others within the

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

LBD07411-01-7

system. Provided, however, that "social networking website" shall not include electronic mail (e-mail).

§ 2. This act shall take effect immediately.