STATE OF NEW YORK

1035

2023-2024 Regular Sessions

IN ASSEMBLY

January 13, 2023

Introduced by M. of A. BICHOTTE HERMELYN, DICKENS, TAYLOR, GIBBS, GONZALEZ-ROJAS, SIMON -- read once and referred to the Committee on Consumer Affairs and Protection

AN ACT to amend the general business law, in relation to prohibiting the use of social media websites, email or text messages 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. Section 601 of the general business law is amended by adding two new subdivisions 12 and 13 to read as follows:

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

13. (a) Initiate any communication with a debtor via email or text message as a means to collect consumer debt. A debt collector shall not be deemed to have initiated a communication with a debtor if the communication by the debt collector is in response to a request made by the debtor for the communication or is the transmittal of monthly statements related to an existing payment plan or payment receipts related to an existing payment plan.

(b) This subdivision shall not apply to:

(i) communications initiated solely for the purpose of informing a debtor of a rescheduled court appearance date or discussing a mutually convenient date for a rescheduled court appearance;

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

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(ii) original creditors collecting or attempting to collect their own debt;

(iii) collecting or attempting to collect a debt which is, or is alleged to be, owed on a loan secured by a mortgage on real property; or

(iv) receiving and depositing payments the debtor chooses to make.

§ 2. This act shall take effect immediately.