

STATE OF NEW YORK

9269

IN ASSEMBLY

February 23, 2024

Introduced by M. of A. BERGER -- read once and referred to the Committee on Social Services

AN ACT to amend the social services law, in relation to requiring electronic benefit transfer systems to include fraud detection for unauthorized transactions

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

Section 1. Subdivision 1 of section 21-a of the social services law is amended by adding a new paragraph (c) to read as follows:

(c) (i) Any electronic benefit transfer system implemented pursuant to this section shall include a fraud detection mechanism to protect benefit recipients from stolen cards and unauthorized transactions. Such fraud detection mechanism shall include, but not be limited to, requiring authorization from the benefit recipient before any transaction can be completed if such transaction is being made in a state other than New York. Such authorization shall be in a form and manner to be determined by the department.

(ii) The department shall establish an opt-out procedure for any benefit recipient who does not want authorization to be required when conducting a transaction in another state. Such opt-out shall be done by form and such form shall be made available in hard copy and electronically available on the department's website.

§ 2. This act shall take effect six months after 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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