

STATE OF NEW YORK

5703--A

2023-2024 Regular Sessions

IN SENATE

March 13, 2023

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection -- recommitted to the Committee on Consumer Protection in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general business law, in relation to prohibiting the use of social media platforms, 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:

1 Section 1. Section 601 of the general business law is amended by
2 adding two new subdivisions 12 and 13 to read as follows:

3 12. Use a social media platform as a means to collect on a consumer
4 claim from a debtor. For purposes of this subdivision, "social media
5 platform" means a public or semi-public internet-based service or appli-
6 cation that has users in New York state that meets the following crite-
7 ria:

8 (a) a substantial function of the service or application is to connect
9 users in order to allow users to interact socially with each other with-
10 in the service or application. A service or application that provides
11 e-mail or direct messaging services shall not be considered to meet
12 this criterion on the basis of that function alone; and

13 (b) the service or application allows individuals to: (i) construct a
14 public or semi-public profile for purposes of signing up and using the
15 service or application; (ii) create a list of other users with whom they
16 share a connection within the system; and (iii) create or post content
17 viewable or audible by other users, including, but not limited to,
18 livestreams, on message boards, in chat rooms, or through a landing page
19 or main feed that presents the user with content generated by other
20 users.

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

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1 13. (a) Initiate any communication with a debtor via e-mail or text
2 message as a means to collect consumer debt. A debt collector shall not
3 be deemed to have initiated a communication with a debtor if the commu-
4 nication by the debt collector is in response to a request made by the
5 debtor for the communication or is the transmittal of monthly statements
6 related to an existing payment plan or payment receipts related to an
7 existing payment plan.

8 (b) This subdivision shall not apply to:

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

12 (ii) principal creditors collecting or attempting to collect their own
13 debt;

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

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

17 § 2. This act shall take effect immediately.