

STATE OF NEW YORK

11283

IN ASSEMBLY

May 6, 2026

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Torres) --
read once and referred to the Committee on Consumer Affairs and
Protection

AN ACT to amend the general business law, in relation to prohibiting
payment card networks from assessing penalties against small busi-
nesses or financial intermediaries who fail to comply with the credit
card surcharge notice requirement

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

1 Section 1. Section 511 of the general business law is amended by
2 adding a new subdivision 11 to read as follows:

3 11. "Payment card network" means an entity that directly, or through
4 licensed members, processors, or agents, provides the proprietary
5 services, infrastructure, and software that route information and data
6 to conduct debit card or credit card transaction authorization, clear-
7 ance, and settlement, and that a person uses in order to accept as a
8 form of payment a brand of debit card, credit card or other device that
9 may be used to carry out debit or credit transactions.

10 § 2. Section 518 of the general business law is amended by adding a
11 new subdivision 3 to read as follows:

12 3. No payment card network or any subdivision thereof doing business
13 in the state of New York shall assess penalties against any small busi-
14 ness or any financial intermediary for violating the provisions of this
15 section. Any clause or portion of a contract, agreement, or arrangement
16 that would assess penalties against a small business or financial inter-
17 mediary in violation of this subdivision shall be automatically void.
18 For the purposes of this subdivision, "small business" shall have the
19 same meaning as defined in section one hundred thirty-one of the econom-
20 ic development law.

21 § 3. This act shall take effect immediately.

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

LBD04388-01-5