STATE OF NEW YORK

8197

2025-2026 Regular Sessions

IN ASSEMBLY

May 5, 2025

Introduced by M. of A. NOVAKHOV, BROOK-KRASNY, CHANG -- read once and referred to the Committee on Social Services

AN ACT to amend the social services law and the general business law, in relation to requiring signage warning about EBT/SNAP skimming and mandating chip-enabled point-of-sale systems for SNAP transactions

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

Section 1. Legislative findings. The legislature finds that Electronic Benefit Transfer (EBT) and Supplemental Nutrition Assistance Program (SNAP) recipients are increasingly at risk of benefit theft due to the use of illegal skimming devices installed on point-of-sale terminals. These devices compromise the security of magnetic stripe cards and cause significant financial harm to vulnerable New Yorkers. To mitigate this threat, it is necessary to raise consumer awareness through mandatory signage and to modernize payment systems by requiring chip-enabled card readers in all retail establishments that accept SNAP.

§ 2. Section 95 of the social services law is amended by adding a new subdivision 12 to read as follows:

12. (a) All retail food stores, and authorized SNAP retailers located in the state shall prominently display a sign at each public entrance to the store warning customers about the potential for SNAP/EBT skimming fraud.

(b) Such sign shall be at least eight and one-half inches by eleven inches, written in plain language, and include the following or substantially similar message:

WARNING: EBT and SNAP benefits may be at risk of theft through illegal skimming devices.

Do not swipe your card if the card reader appears damaged or tampered with.

Use chip-enabled terminals when available. Report suspected fraud to the NYS EBT Customer Service at 1-888-328-6399.

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

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(c) The office of temporary and disability assistance shall develop and make available a standardized sign template for use by all affected retailers.

§ 3. The general business law is amended by adding a new section 397-c to read as follows:

§ 397-c. SNAP security at point-of-sale terminals. 1. Beginning the first of January next succeeding the effective date of this section, all businesses in the state that accept supplemental nutrition assistance program (SNAP) benefits shall install and utilize point-of-sale terminals that support Europay, Mastercard, and Visa (EMV) chip card functionality for electronic benefit transfer (EBT) transactions.

2. Any business that fails to comply with the provisions of this section shall be subject to a civil penalty of up to five hundred dollars for each violation, unless such business can demonstrate that compliance was not feasible due to equipment availability or other circumstances as determined by the department of agriculture and markets.

3. The department of agriculture and markets, in consultation with the office of temporary and disability assistance, shall promulgate rules and regulations necessary to implement the provisions of this section, including provisions for financial assistance or grants to support small businesses with the cost associated with upgrading equipment.

§ 4. Severability. If any clause, sentence, paragraph, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part thereof directly involved in the controversy in which such judgment shall have been rendered.

§ 5. This act shall take effect on the one hundred twentieth day after it shall have become a law; provided, however subdivision 3 of section 397-c of the general business law as added by section two of this act shall take effect immediately. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.