

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:

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

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

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

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

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

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

23 Use chip-enabled terminals when available. Report suspected fraud to the
24 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.

LBD11692-01-5

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

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

6 § 397-c. SNAP security at point-of-sale terminals. 1. Beginning the
7 first of January next succeeding the effective date of this section, all
8 businesses in the state that accept supplemental nutrition assistance
9 program (SNAP) benefits shall install and utilize point-of-sale termi-
10 nals that support Europay, Mastercard, and Visa (EMV) chip card func-
11 tionality for electronic benefit transfer (EBT) transactions.

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

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

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

29 § 5. This act shall take effect on the one hundred twentieth day after
30 it shall have become a law; provided, however subdivision 3 of section
31 397-c of the general business law as added by section two of this act
32 shall take effect immediately. Effective immediately, the addition,
33 amendment and/or repeal of any rule or regulation necessary for the
34 implementation of this act on its effective date are authorized to be
35 made and completed on or before such effective date.