STATE OF NEW YORK

6541

2025-2026 Regular Sessions

IN ASSEMBLY

March 5, 2025

Introduced by M. of A. MAMDANI -- 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 businesses 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 Assembly, do enact as follows:

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

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

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

3. No payment card network or any subdivision thereof doing business in the state of New York shall assess penalties against any small business or any financial intermediary for violating the provisions of this section. Any clause or portion of a contract, agreement, or arrangement that would assess penalties against a small business or financial intermediary in violation of this subdivision shall be automatically void. For the purposes of this subdivision, "small business" shall have the same meaning as defined in section one hundred thirty-one of the economic development law.

§ 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