STATE OF NEW YORK

9599

IN ASSEMBLY

January 21, 2026

Introduced by M. of A. HOOKS -- read once and referred to the Committee on Consumer Affairs and Protection

AN ACT to amend the general business law, in relation to requiring certain retail stores to accept flexible benefit cards

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

Section 1. The general business law is amended by adding a new article 38-C to read as follows:

ARTICLE 38-C

FLEXIBLE BENEFIT CARDS

§ 840. Definitions. As used in this article, the following terms shall have the following meanings:

1. "Covered store" means a retail store that primarily sells food for off-site consumption or a retail store that includes a pharmacy.

2. "Eligible item" means a product that may be purchased with a flexible benefit card, as determined by the issuer of the flexible benefit card.

3. "Flexible benefit card" means a card provided by a health insurance provider to an insured member that may be used to purchase items covered by the insured member's health insurance policy.

§ 841. Acceptance of flexible benefit cards. Every covered store that accepts credit or debit card payment shall accept flexible benefit cards as a form of payment for eligible items.

§ 842. Enforcement. Any person that violates the provisions of this article or any rules or regulations promulgated pursuant thereto shall be liable for a civil penalty of two hundred fifty dollars for a first violation and five hundred dollars for any subsequent violation within eighteen months of a previous violation; provided, however, that the superintendent of financial services shall issue a warning instead of a notice of violation for any violation that occurs within one year of the

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

effective date of this article. For purposes of assessing penalties in accordance with this section, all violations committed by the same covered store on the same day shall count as one violation.

§ 843. Education and outreach. The superintendent of financial services shall provide outreach and education to covered stores to inform such stores of the requirement to accept flexible benefit cards pursuant to this article.

§ 2. This act shall take effect on the two hundred seventieth day after it shall have become a law. 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.