

SENATE BILL 285
By Finney

AN ACT to amend Tennessee Code Annotated, Title 39,
Chapter 14, Part 1, relative to the use of certain
scanner and re-encoding devices.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 39, Chapter 14, Part 1, is amended by
adding the following as a new section:

§ 39-14-153.

(a) As used in this section:

(1) "Scanning Device" means a scanner, reader, or any other
electronic device that is used to access, read, scan, obtain, memorize, or
store, temporarily or permanently, information encoded on the magnetic
strip or stripe of a payment card.

(2) "Re-encoder" means an electronic devise that places encoded
information from the magnetic strip or stripe of a payment card onto the
magnetic strip or stripe of a different payment card.

(3) "Payment Card" means a credit card, charge card, debit card,
or any other card that is issued to an authorized card user and that allows
the user to obtain, purchase, or receive goods, services, money, or
anything else of value from a merchant.

(4) "Merchant" is defined as an owner or operator of any retail
mercantile establishment or any agent, employee, lessee, consignee,
officer, director, franchisee, or independent contractor of such owner or
operator. A "merchant" also means a person who receives from an

authorized user of a payment card, or someone the person believes to be an authorized user, a payment card or information from a payment card, or what the person believes to be a payment card or information from a payment card, as the instrument for obtaining, purchasing or receiving goods, services, money, or anything else of value from the person.

(b) It is an offense for a person to knowingly use a:

(1) Scanning device to access, read, obtain, memorize, or store, temporarily or permanently, information encoded on the magnetic strip or stripe of a payment card without the permission of the authorized user of the payment card with the intent to defraud the authorized user, the issuer of the authorized user's payment card, or a merchant; or

(2) Re-encoder to place information encoded on the magnetic strip or stripe of a payment card onto the magnetic strip or stripe of a different card without the permission of the authorized user of the card from which the information is being re-encoded with the intent to defraud the authorized user, the issuer of the authorized user's payment card, or a merchant.

(c)

(1) A first violation of this section is a Class E felony.

(2) A second or subsequent violation of this section is a Class D

felony.

SECTION 2. This act shall take effect July 1, 2005, the public welfare requiring it.