

AMENDMENTS TO LB773

Introduced by Lindstrom, 18.

1 1. Insert the following new sections:

2 Section 1. Section 28-632, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 28-632 For purposes of this section and sections 28-633 and 28-634:

5 (1) Encoding machine means an electronic device that is used to
6 encode information onto a payment card;

7 (2) ~~(1)~~ Merchant means:

8 (a) An ~~an~~ owner or operator of any retail mercantile establishment
9 or any agent, employee, lessee, consignee, officer, director, franchisee,
10 or independent contractor of such owner or operator;

11 (b) An establishing financial institution as defined in section
12 8-157.01; or

13 (c) A ~~Merchant~~ also includes a person who receives from an
14 authorized user of a payment card, or someone the person believes to be
15 an authorized user, a payment card or information from a payment card, or
16 what the person believes to be a payment card or information from a
17 payment card, as the instrument for obtaining, purchasing, or receiving
18 goods, services, money, or anything else of value from the person;

19 (3) ~~(2)~~ Payment card means a credit card, charge card, ~~or~~ debit
20 card, or any other card that is issued to an authorized card user and
21 that allows the user to obtain, purchase, or receive goods, services,
22 money, or anything else of value from a merchant;

23 (4) ~~(3)~~ Person means an individual, firm, partnership, association,
24 corporation, limited liability company, or other business entity; and

25 ~~(4) Reencoder means an electronic device that places encoded~~
26 ~~information from the magnetic strip or stripe of a payment card onto the~~
27 ~~magnetic strip or stripe of a different payment card; and~~

1 (5) Scanning device means a scanner, a reader, a wireless access
2 device, a radio-frequency identification scanner, near-field
3 communication technology, or any other electronic device that is used to
4 access, read, scan, obtain, memorize, or store, temporarily or
5 permanently, information encoded on ~~the magnetic strip or stripe of a~~
6 payment card.

7 Sec. 2. Section 28-634, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 28-634 (1) It is unlawful for a person to intentionally and
10 knowingly use:

11 (a) Use a A scanning device to access, read, scan, obtain, memorize,
12 or store, temporarily or permanently, information encoded on ~~the magnetic~~
13 ~~strip or stripe of a~~ payment card without the permission of the
14 authorized user of the payment card ~~and with the intent to defraud the~~
15 ~~authorized user,~~ the issuer of the authorized user's payment card, or a
16 merchant; ~~or~~

17 (b) Possess a scanning device with the intent to obtain information
18 encoded on a payment card without the permission of the authorized user,
19 the issuer of the authorized user's payment card, or a merchant or
20 possess a scanning device with knowledge that some other person intends
21 to use the scanning device to obtain information encoded on a payment
22 card without the permission of the authorized user, the issuer of the
23 authorized user's payment card, or a merchant;

24 (c) Use an encoding machine ~~(b) A reencoder~~ to place information
25 encoded on ~~the magnetic strip or stripe of a~~ payment card onto the
26 ~~magnetic strip or stripe of a~~ different card without the permission of
27 the authorized user of the card from which the information was obtained
28 ~~is being reencoded and with the intent to defraud the authorized user,~~
29 the issuer of the authorized user's payment card, or a merchant; or -

30 (d) Possess an encoding machine with the intent to place information
31 encoded on a payment card onto a different payment card without the

1 permission of the user, the issuer of the authorized user's payment card,
2 or a merchant.

3 (2) A violation of this section is a Class IV felony for the first
4 offense and a Class IIIA felony for a second or subsequent offense.

5 2. Renumber the remaining sections and correct the repealer
6 accordingly.