ASSEMBLY, No. 3169



STATE OF NEW JERSEY

220th LEGISLATURE



INTRODUCED MARCH 7, 2022

Sponsored by:

Assemblyman JOHN F. MCKEON

District 27 (Essex and Morris)

SYNOPSIS

 Criminalizes failure to return erroneous person-to-person electronic payments following proper notification.

CURRENT VERSION OF TEXT

 As introduced.



An Act concerning theft of property and amending N.J.S.2C:20-1 and N.J.S.2C:20-6.

 Be It Enacted by the Senate and General Assembly of the State of New Jersey:

 1. N.J.S.2C:20-1 is amended to read as follows:

 2C:20-1. Definitions. In chapters 20 and 21, unless a different meaning plainly is required:

 a. "Deprive" means: (1) to withhold or cause to be withheld property of another permanently or for so extended a period as to appropriate a substantial portion of its economic value, or with purpose to restore only upon payment of reward or other compensation; or (2) to dispose or cause disposal of the property so as to make it unlikely that the owner will recover it.

 b. "Fiduciary" means an executor, general administrator of an intestate, administrator with the will annexed, substituted administrator, guardian, substituted guardian, trustee under any trust, express, implied, resulting or constructive, substituted trustee, executor, conservator, curator, receiver, trustee in bankruptcy, assignee for the benefit of creditors, partner, agent or officer of a corporation, public or private, temporary administrator, administrator, administrator pendente lite, administrator ad prosequendum, administrator ad litem or other person acting in a similar capacity. "Fiduciary" shall also include an employee or an agent of a cargo carrier, as the term is defined in subsection w. of this section, while acting in that capacity, or an independent contractor providing services to a cargo carrier as that term is defined in subsection w. of this section.

 c. "Financial institution" means a bank, insurance company, credit union, savings and loan association, investment trust or other organization held out to the public as a place of deposit of funds or medium of savings or collective investment.

 d. "Government" means the United States, any state, county, municipality, or other political unit, or any department, agency or subdivision of any of the foregoing, or any corporation or other association carrying out the functions of government.

 e. "Movable property" means property the location of which can be changed, including things growing on, affixed to, or found in land, and documents, although the rights represented thereby have no physical location. "Immovable property" is all other property.

 f. "Obtain" means: (1) in relation to property, to bring about a transfer or purported transfer of a legal interest in the property, whether to the obtainer or another; or (2) in relation to labor or service, to secure performance thereof.

 g. "Property" means anything of value, including real estate, tangible and intangible personal property, trade secrets, contract rights, choses in action and other interests in or claims to wealth, admission or transportation tickets, captured or domestic animals, food and drink, electric, gas, steam or other power, financial instruments, information, data, and computer software, in either human readable or computer readable form, copies or originals.

 h. "Property of another" includes property in which any person other than the actor has an interest which the actor is not privileged to infringe, regardless of the fact that the actor also has an interest in the property and regardless of the fact that the other person might be precluded from civil recovery because the property was used in an unlawful transaction or was subject to forfeiture as contraband. Property in possession of the actor shall not be deemed property of another who has only a security interest therein, even if legal title is in the creditor pursuant to a conditional sales contract or other security agreement.

 i. "Trade secret" means the whole or any portion or phase of any scientific or technical information, design, process, procedure, formula or improvement which is secret and of value. A trade secret shall be presumed to be secret when the owner thereof takes measures to prevent it from becoming available to persons other than those selected by the owner to have access thereto for limited purposes.

 j. "Dealer in property" means a person who buys and sells property as a business.

 k. "Traffic" means:

 (1) To sell, transfer, distribute, dispense or otherwise dispose of property to another person; or

 (2) To buy, receive, possess, or obtain control of or use property, with intent to sell, transfer, distribute, dispense or otherwise dispose of such property to another person.

 l. "Broken succession of title" means lack of regular documents of purchase and transfer by any seller except the manufacturer of the subject property, or possession of documents of purchase and transfer by any buyer without corresponding documents of sale and transfer in possession of seller, or possession of documents of sale and transfer by seller without corresponding documents of purchase and transfer in possession of any buyer.

 m. "Person" includes any individual or entity or enterprise, as defined herein, holding or capable of holding a legal or beneficial interest in property.

 n. "Anything of value" means any direct or indirect gain or advantage to any person.

 o. "Interest in property which has been stolen" means title or right of possession to such property.

 p. "Stolen property" means property that has been the subject of any unlawful taking.

 q. "Enterprise" includes any individual, sole proprietorship, partnership, corporation, business trust, association, or other legal entity, and any union or group of individuals associated in fact, although not a legal entity, and it includes illicit as well as licit enterprises and governmental as well as other entities.

 r. "Attorney General" includes the Attorney General of New Jersey, his assistants and deputies. The term shall also include a county prosecutor or his designated assistant prosecutor, if a county prosecutor is expressly authorized in writing by the Attorney General to carry out the powers conferred on the Attorney General by this chapter.

 s. "Access device" means property consisting of any telephone calling card number, credit card number, account number, mobile identification number, electronic serial number, personal identification number, or any other data intended to control or limit access to telecommunications or other computer networks in either human readable or computer readable form, either copy or original, that can be used to obtain telephone service. Access device also means property consisting of a card, code or other means of access to an account held by a financial institution, or any combination thereof, that may be used by the account holder for the purpose of initiating electronic fund transfers.

 t. "Defaced access device" means any access device, in either human readable or computer readable form, either copy or original, which has been removed, erased, defaced, altered, destroyed, covered or otherwise changed in any manner from its original configuration.

 u. "Domestic companion animal" means any animal commonly referred to as a pet or one that has been bought, bred, raised or otherwise acquired, in accordance with local ordinances and State and federal law for the primary purpose of providing companionship to the owner, rather than for business or agricultural purposes.

 v. "Personal identifying information" means any name, number or other information that may be used, alone or in conjunction with any other information, to identify a specific individual and includes, but is not limited to, the name, address, telephone number, date of birth, social security number, official State issued identification number, employer or taxpayer number, place of employment, employee identification number, demand deposit account number, savings account number, credit card number, mother's maiden name, unique biometric data, such as fingerprint, voice print, retina or iris image or other unique physical representation, or unique electronic identification number, address or routing code of the individual.

 w. "Cargo carrier" means: (1) any business or establishment regularly operating for the purpose of conveying goods or property for compensation from one place to another by road, highway, rail, water or air, by any means including but not limited to any pipeline system, railroad car, motor truck, truck, trailer, semi-trailer, commercial motor vehicle or other vehicle, any steamboat, vessel or aircraft, and any business or establishment regularly engaged in the temporary storage of goods or property incident to further distribution of the goods or property elsewhere for commercial purposes, including but not limited to businesses or establishments operating a tank or storage facility, warehouse, terminal, station, station house, platform, depot, wharf, pier, or from any ocean, intermodal, container freight station or freight consolidation facility; or (2) any business or establishment that conveys goods or property which it owns or has title to, from one place to another, by road, highway, rail, water or air by any means including but not limited to any pipeline system, railroad car, motor truck, truck, trailer, semi-trailer, commercial motor vehicle or other vehicle, any steamboat, vessel or aircraft, and including the storage and warehousing of goods and property incidental to their conveyance from one place to another.

 x. “Payment processor” means any person who acts as a payment processor to facilitate the purchase of, or payment of a bill for, a good or service through a clearance and settlement system by agreement with the creditor or seller. A payment processor:

(1) facilitates the purchase of goods or services, or the payment of bills for goods or services other than money transmission itself; and

(2) provides its services pursuant to a formal agreement with, at minimum, the seller or creditor that provided the goods or services and receives the funds.

y. “Individual” means a natural person.

(cf: P.L.2013, c.58, s.1)

 2. N.J.S.2C:20-6 is amended to read as follows:

 2C:20-6. Theft of Property Lost, Mislaid, or Delivered by Mistake.

 a. A person who comes into control of property of another that he knows to have been lost, mislaid, or delivered under a mistake as to the nature or amount of the property or the identity of the recipient is guilty of theft if, knowing the identity of the owner and with purpose to deprive said owner thereof, he converts the property to his own use.

 b. An individual who erroneously receives an electronic payment from another individual through a payment processor and who was properly notified that the payment was erroneous, and does not return, within 30 days of notification, the funds transferred to the sender, shall be guilty of theft under subsection a. of this section.

(cf: N.J.S.2C:20-6)

 3. This act shall take effect immediately.

STATEMENT

 This bill provides that the failure to return an erroneous electronic payment between individuals to the sender is theft. Where an individual receives an electronic payment from another individual through a payment processor that was delivered under a mistake as to the nature or amount of the transfer or the identity of the recipient, the failure to return the payment to the sender constitutes theft where the recipient was notified that the payment was erroneous. Additionally, the bill adds a definition of “payment processor” to the chapter on theft offenses.