

SENATE, No. 3017

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED APRIL 8, 2024

Sponsored by:

Senator ANDREW ZWICKER

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

SYNOPSIS

Requires social media companies to establish toll-free telephone number for NJ account holders to report fraudulent account actions.

CURRENT VERSION OF TEXT

As introduced.



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1 AN ACT requiring social media companies to establish a toll-free
2 telephone number and supplementing Title 56 of the Revised
3 Statutes.

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5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

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8 1. As used in P.L. , c. (C.) (pending before the
9 Legislature as this bill):

10 “New Jersey account holder” means a New Jersey resident who
11 has or who creates a social media account on a social media
12 platform.

13 “Social media account” means a profile created by a person on a
14 social media platform, which contains personal information,
15 including name, phone number, email, or other identifying
16 information. “Account” also includes a profile created by a person
17 that only contains pictures or videos that the person owns and
18 shares.

19 “Social media company” means a person, business, or other legal
20 entity and its agents, assignees, or representatives that provides or
21 operates a social media platform with at least five million account
22 holders worldwide.

23 “Social media platform” or “platform” means a public or
24 semipublic internet-based service or application that has users in
25 this State, which service or application: (1) allows users to construct
26 a public or semipublic social media account for the purposes of
27 using the platform, populate a list of other users with whom the user
28 shares a social connection through the platform, and post content
29 viewable by other users of the platform; and (2) is designed to
30 connect users within the platform to facilitate social interactions,
31 except that a service or application that provides email or direct
32 messaging services shall not be considered to meet this criterion
33 solely based on the existence of that functionality. “Social media
34 platform” shall not include an Internet-based service or application
35 for which interactions between users are solely related to the
36 provision of direct messages, commercial and financial transactions,
37 peer-to-peer payments, consumer engagement around products,
38 product reviews, sellers, services, events, or places, or any
39 combination thereof.

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41 2. a. A social media company shall make available to New
42 Jersey account holders a 24-hour toll-free telephone number by
43 which an account holder may contact a live customer service
44 representative of the social media company to report fraudulent
45 activity on a New Jersey account holder’s social media account,
46 including, but not limited to, unauthorized access.

47 b. A social media company shall publish the toll-free telephone
48 number made available pursuant to subsection a. of this section, and

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1 an explanation of the purpose of the toll-free telephone number, on
2 any email notifications of account security sent to a New Jersey
3 account holder and in a prominent location on the homepage or help
4 page of the social media platform.

5
6 3. It shall be an unlawful practice and a violation of P.L.1960,
7 c.39 (C.56:8-1 et seq.) for a social media company to fail to comply
8 with any provision of section 2 of P.L. , c. (C.) (pending
9 before the Legislature as this bill). Such violation shall be subject
10 to all remedies and penalties available pursuant to P.L.1960, c.39
11 (C.56:8-1 et seq.).

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13 4. This act shall take effect immediately.

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16 **STATEMENT**

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18 This bill requires a social media company to provide a 24-hour
19 toll-free telephone number by which an account holder may contact
20 a live customer service representative of the social media company
21 for the purpose of reporting fraudulent activity, including, but not
22 limited to, unauthorized access to a social media account. A social
23 media company is also required to publish the toll-free telephone
24 number and an explanation of the purpose of the toll-free telephone
25 number on any email notifications of account security sent to a New
26 Jersey account holder and in a prominent location on the social
27 media platform's homepage or help page.

28 It is an unlawful practice and a violation of the consumer fraud
29 act for a social media company to fail to comply with any provision
30 of this bill. An unlawful practice under the consumer fraud act is
31 punishable by a monetary penalty of not more than \$10,000 for a
32 first offense and not more than \$20,000 for any subsequent offense.
33 In addition, a violation can result in cease and desist orders issued
34 by the Attorney General, the assessment of punitive damages, and
35 the awarding of treble damages and costs to the injured party.

36 Currently, many account holders face difficulty receiving
37 assistance with reporting fraudulent activities on their social media
38 accounts. This bill is intended to provide account holders with a
39 means by which to report fraudulent activity to a live customer
40 service representative.