

AN ACT

ENTITLED, An Act to revise certain provisions regarding the use and possession of scanning devices and reencoders.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 22-40-12 be amended to read:

22-40-12. A person is guilty of a Class 6 felony if the person directly or indirectly uses a scanning device to access, read, obtain, memorize, or store, temporarily or permanently, information encoded on the magnetic strip or stripe of a payment card or encoded on a chip embedded on a payment card without the permission of the authorized user of the payment card, the issuer of the authorized user's payment card, or a merchant.

Section 2. That § 22-40-13 be amended to read:

22-40-13. A person is guilty of a Class 6 felony if the person directly or indirectly uses a reencoder to place information encoded on the magnetic strip or stripe of a payment card or encoded on a computer chip embedded on a payment card onto the magnetic strip or stripe or computer chip of a different payment card without the permission of the authorized user of the payment card from which the information is being reencoded, the issuer of the authorized user's payment card, or a merchant.

Section 3. That § 22-40-14 be amended to read:

22-40-14. A person is guilty of a Class 6 felony if the person owns or possesses a scanning device or a reencoder with the intent to use the scanning device or reencoder to obtain or alter information encoded or embedded on a payment card without the permission of the authorized user of the payment card, the issuer of the authorized user's payment card, or a merchant.

A person is guilty of a Class 6 felony if the person owns or possesses a scanning device or reencoder with knowledge that a person other than an authorized user, the issuer of the authorized

user's payment card, or a merchant intends to use the scanning device or reencoder to obtain information encoded or embedded on a payment card without the permission of the authorized user, the issuer of the authorized user's payment card, or any merchant.

Section 4. That § 22-40-11 be amended to read:

22-40-11. Terms used in §§ 22-40-11 to 22-40-14, inclusive, mean:

- (1) "Reencoder," any electronic device that places encoded information from the magnetic strip or stripe of a payment card or a computer chip embedded in a payment card onto the magnetic strip or stripe or computer chip of a different payment card;
- (2) "Scanning device," any 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 or on a computer chip of a payment card.

An Act to revise certain provisions regarding the use and possession of scanning devices and reencoders.

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I certify that the attached Act originated in the

HOUSE as Bill No. 1050

Chief Clerk

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Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1050
File No. _____
Chapter No. _____

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Received at this Executive Office this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby approved this _____ day of _____ , A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State