

# MAINE STATE LEGISLATURE

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# 122nd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2005

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Legislative Document

No. 83

S.P. 23

In Senate, January 11, 2005

### **An Act to Prohibit Payment Card Skimming**

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Reference to the Committee on Criminal Justice and Public Safety suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator SNOWE-MELLO of Androscoggin.  
Cosponsored by Representative FLETCHER of Winslow and  
Senators: CLUKEY of Aroostook, DAVIS of Piscataquis, DIAMOND of Cumberland,  
ROSEN of Hancock, Representatives: GERZOFISKY of Brunswick, MILLETT of Waterford,  
RICHARDSON of Skowhegan.

2 **Be it enacted by the People of the State of Maine as follows:**

4 **Sec. 1. 17-A MRSA c. 30** is enacted to read:

6 **CHAPTER 30**

8 **PAYMENT CARD FRAUD**

10 **§721. Short title**

12 This chapter may be known and cited as "the Anti-skimming Act."

14 **§722. Definitions**

16 As used in this chapter, unless the context otherwise  
18 indicates, the following terms have the following meanings.

20 1. "Authorized card user" means a person with the  
empowerment or permission to act in the usage of a payment card.

22 2. "Merchant" means an owner or operator of a retail  
24 mercantile establishment or an agent, employee, lessee,  
26 consignee, officer, director, franchisee or independent  
28 contractor of an owner or operator. "Merchant" means a person  
30 who receives from an authorized card user, or someone the person  
32 believes to be an authorized card 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.

34 3. "Payment card" means a credit card, charge card, debit  
36 card, hotel key card or store value card or any other card that  
is issued to an authorized card user that allows the user to  
obtain, purchase or receive goods, services, money or anything  
else of value from a merchant.

38 4. "Reencoder" means an electronic device that places  
40 encoded information from the magnetic strip or stripe of a  
42 payment card onto the magnetic strip or stripe of another payment  
card.

44 5. "Scanning device" means a scanner or reader or any other  
electronic device that is used to access, read, scan, obtain,

2 memorize or store, temporarily or permanently, information  
3 encoded on the magnetic strip or stripe of a payment card.

4 **§723. Unlawful use of scanning device or reencoder**

6 1. A person is guilty of unlawful use of a scanning device  
7 or a reencoder if the person intentionally or knowingly uses:

8 A. A scanning device without the permission of the  
9 authorized card user with the intent to defraud the  
10 authorized card user, the issuer of the authorized card  
11 user's payment card or a merchant; or

12 B. A reencoder without the permission of the authorized  
13 card user with the intent to defraud the authorized card  
14 user, the issuer of the authorized card user's payment card  
15 or a merchant.

16 2. A person who commits a violation under subsection 1  
17 commits a Class C crime. A 2nd or subsequent violation is a  
18 Class B crime.

20  
22  
24 **SUMMARY**

26 This bill criminalizes the use of a scanning device or a  
27 reencoder to capture encoded information from a magnetic strip or  
28 stripe on a credit card, debit card or other payment card to  
place the information on another card with the intent to defraud.