



HOUSE BILL 238: Prohibit Possession of Skimming Device.

2021-2022 General Assembly

Committee:	House Rules, Calendar, and Operations of the House	Date:	March 24, 2021
Introduced by:	Rep. Torbett	Prepared by:	Amy Darden
Analysis of:	First Edition		Staff Attorney

OVERVIEW: *House Bill 238 adds the definition of a skimming device to the Financial Transaction Card Crime Act and makes the possession, sale, or delivery of a skimming device a Class I felony.*

CURRENT LAW: A financial transaction card (FTC) includes credit cards, credit plates, bank services cards, banking cards, check guarantee cards, and debit cards.

It is currently unlawful to use a scanning device to access, read, obtain, memorize, or store, temporarily or permanently, information encoded on another person's FTC with the intent to defraud any person, pursuant to G.S. 14-113.9.

Financial transaction card theft is punishable as a Class I felony.

BILL ANALYSIS: House Bill 238 would add the definition of skimming device as a self-contained device that does both of the following:

- Reads and stores information encoded on a FTC or other device that directly reads the information from a FTC; and
- Is incapable of processing the FTC information for the purpose of obtaining, purchasing, or receiving goods, services, money, or anything else of value from a merchant.

The bill would specify that a skimming device does not fall under the definition of a scanning device.

House Bill 238 would also add the knowing possession, sale, or delivery of a skimming device to the definition of financial transaction card theft. Employees, officers, or agents of the following are exempt, if they are acting within the scope of their official duties:

- A law enforcement agency.
- A State or federal court.
- An agency or department of the State, local, or federal government.
- A financial or retain security investigator employed by a merchant.

EFFECTIVE DATE: The bill would become effective December 1, 2021, and apply to offenses committed on or after that date.

Jeffrey Hudson
Director



Legislative Analysis
Division
919-733-2578