



Legislation Text

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Res. No. 2271

Resolution calling on the New York State Legislature to amend Article 2-AA of the State Banking Law to mandate that any ATM terminal operating in the State must be outfitted with the “Reverse PIN System.”

By Council Member Vallone Jr.

Whereas, Many consumers believe that banks throughout the nation provide an inadequate level of security and protection for customers using Automated Teller Machines (“ATMs”); and

Whereas, In 2008, the Electronic Funds Transfer Association (“EFTA”) estimated that 60,000 Americans were held at gunpoint at ATMs, and, in the same year, the New York Police Department (“NYPD”) received reports of 743 robberies at ATMs in the City; and

Whereas, The “Reverse PIN System,” which allows ATM users to secretly alert authorities when withdrawing money under duress, would protect users who use ATMs from the threat of robbery; and

Whereas, Similar to a silent arm, the Reverse PIN System, when an ATM user withdrawing money under duress enters his or her PIN backward, enables cash to dispense from the machine while simultaneously alerting authorities safely and covertly of the robbery; and

Whereas, The system can be purchased for only \$25 per ATM; it will cost \$10 million to install the software in the 270,000 ATMs throughout the country, making the installation cost for the ATM terminals in New York City comparatively small; and

Whereas, Many home alarm systems are successfully equipped with similar duress codes; and

Whereas, New York State would not be the first State to consider implementing the Reverse PIN System; State legislative efforts to require Reverse PIN System have appeared in Illinois, Kansas and Georgia, but none have succeeded to date; and

Whereas, Most importantly, the Reverse PIN System has the potential to save lives; in July of 2009, a 17 year-old girl was abducted and murdered in Los Angeles after she was forced by a perpetrator to make several unsuccessful attempts to withdraw cash from ATMs using her credit card; and

Whereas, The Reverse PIN System could have alerted authorities to such a situation and has the potential to save the lives of others; now, therefore, be it

Resolved, That the Council of the City of New York calls on the New York State Legislature to amend Article 2-AA of the State Banking Law to mandate that any ATM terminal operating in the State must be outfitted with the “Reverse PIN System.”

JCG
10/26/09
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