1	COURT OF APPEALS
2	STATE OF NEW YORK
3	THE PEOPLE OF THE STATE OF NEW YORK,
4	
5	Respondent,
6	-against- NO. 7
7	FREDERIC BADJI,
8	Appellant.
9	20 Eagle Street Albany, New York January 6, 2021
10	Before:
11	CHIEF JUDGE JANET DIFIORE ASSOCIATE JUDGE JENNY RIVERA
12	ASSOCIATE JUDGE LESLIE E. STEIN
13	ASSOCIATE JUDGE EUGENE M. FAHEY ASSOCIATE JUDGE MICHAEL J. GARCIA
14	ASSOCIATE JUDGE ROWAN D. WILSON ASSOCIATE JUDGE PAUL FEINMAN
15	
16	Appearances:
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24	Penina Wolicki Official Court Transcriber
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1 CHIEF JUDGE DIFIORE: The next appeal on this 2 afternoon's calendar is The People of the State of New York 3 v. Frederic Badji, appeal number 7. 4 (Pause) 5 CHIEF JUDGE DIFIORE: Good afternoon, counsel. 6 This is appeal number 7, The People of the State of New 7 York v. Frederic Badji. Counsel? 8 JUDGE FEINMAN: Mr. Ferguson, you're muted. 9 MR. FERGUSON: Sorry, I had to unmute myself. 10 thought - - - I thought it was going to be done 11 automatically. 12 Good afternoon, Your Honors. Harold Ferguson for 13 appellant, Frederic Badji. We'd ask for two minutes in 14 rebuttal in this particular case. 15 CHIEF JUDGE DIFIORE: You may, sir. 16 MR. FERGUSON: This case presents this court with 17 the opportunity to remedy the jurisdictional split between 18 the First and Second Department on whether or not for grand 19 larceny of a credit card, one needs to have the physical 20 card, or simply the numbers on the card. 2.1 We believe that the analysis done by the Second 2.2 Department in Luis C. is the correct analysis and that when 23 the legislature added 511-a to the General Business Law,

And in fact, when the sponsor of that particular

they did not cross reference that to the penal law.

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1	legislation made, in his memorandum, he stated that Sectio
2	511-a, as created in the General Business Law, provided
3	that only for the purposes of the General Business Law, th
4	term "credit card" shall also mean any number assigned to
5	credit card.
6	It does not
7	JUDGE GARCIA: Chief Chief Judge, if I
8	might ask a question?
9	CHIEF JUDGE DIFIORE: Judge Garcia.
10	JUDGE GARCIA: If they, instead of creating this
11	511-a, had put this language in 511 as a separate sub-
12	paragraph, let's say 14 or whatever they're up to there,
13	you would agree, then it would apply?
14	MR. FERGUSON: Absolutely, Your Honor.
15	JUDGE GARCIA: Okay, let's
16	MR. FERGUSON: That what you had
17	JUDGE GARCIA: but let me take that
18	MR. FERGUSON: that it wasn't the
19	JUDGE GARCIA: a step further, then.
20	MR. FERGUSON: Okay.
21	JUDGE GARCIA: So let's say the criminal law, th
22	larceny statute, cross-references five in that case,
23	where they've dropped it in as (14), 511-a(1), would it
24	apply?

MR. FERGUSON: If the - - - you mean if the penal

1	law included
2	JUDGE GARCIA: Right.
3	MR. FERGUSON: 511-a(1)? Absolutely.
4	JUDGE GARCIA: It would.
5	MR. FERGUSON: But it doesn't. But it doesn't.
6	JUDGE GARCIA: Even though it specifies 511-a(1)
7	and the new language is in 511-a(14), your view would be,
8	in that case, you would use the expanded definition of
9	credit card?
LO	MR. FERGUSON: Yes, because that would be an
L1	amendment to 511, not a separate and distinct statute.
L2	JUDGE GARCIA: But that
L3	MR. FERGUSON: Remember
4	JUDGE GARCIA: separate and distinct
L5	statute says it applies to the Article. So I'm having sor
L6	trouble seeing the difference between dropping that
L7	language as a subsection in 511, with a specific reference
L8	in the penal law to 511-a(1) and dropping it into a
L9	different section number, 511-a. It seems to me it's just
20	defining a sub-term in 511-a(1).
21	MR. FERGUSON: No, because it says in 511-a, for
22	purposes of this Article, credit card
23	JUDGE GARCIA: And what does that mean?
24	MR. FERGUSON: It means Article 29(a), which
25	references the General Business Law. It does not cross-



1 reference it to Title J. 2 JUDGE GARCIA: But aren't we - - -3 MR. FERGUSON: Re - - -4 JUDGE GARCIA: - - - getting into a very strange 5 area, then, because - - -6 MR. FERGUSON: No, no - - -7 JUDGE GARCIA: - - - they're referencing in the 8 penal law this definition, and that definition has sub-9 definitions, in a way. But what you want to do is limit 10 the cross-reference without the sub-definition. And that -11 12 MR. FERGUSON: Your Honor - - -13 JUDGE GARCIA: - - - strikes me as leading down a 14 somewhat strange road. 15 MR. FERGUSON: No, it's not a strange road, 16 because remember, all of this is happening in 2002. At the 17 same time that the General Business Law adds this section, 18 at that same time, they - - - these legislature also 19 created a series of penal law provisions directly dealing 20 with the situation presented in Mr. Badji's case. 2.1 Specifically, Penal Law 190.81 says a person is 22 quilty of unlawful possession of personal identification 23 information in the third degree when he - - - when he or 24 she knowingly possesses and then references the numbers on

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the credit card.

Here, what you had simply - - -1 2 JUDGE STEIN: Judge, may I - - -3 MR. FERGUSON: - - - was -4 JUDGE STEIN: - - - may I inquire? 5 CHIEF JUDGE DIFIORE: Judge Stein. 6 MR. FERGUSON: Yes, Your Honor. 7 JUDGE STEIN: But so 190.81 is clearly a 8 possession statute, right? And we're talking about theft. 9 My - - - my concern - - - my problem is, is that 10 I think we're creating this difference in - - - in various types of crimes throughout the penal law, whether they're 11 12 possession crimes or theft crimes, and we're just leaving 13 this one out, which just isn't consistent with what I 14 understood and what I think we previously said was the 15 purpose of the amendments, which was to recognize that a 16 lot of these crimes are taking place without actually 17 getting hold of the actual credit card. 18 So I - - - I think it just - - - my concern is 19 that it leaves - - - it leads to a lot of inconsistencies, 20 and it doesn't reflect the fact that possession is 21 different from theft. 22 MR. FERGUSON: Your Honor, but the reality is 23 that when you have the number alone, and use it, that's the 24 theft. We have that. The possession of it, knowing that

you're going to use it, that's criminalized in 2002.

What you have here is that in reality the 1 2 legislature poorly drafted 511-a, and when you look at the 3 sponsor's memorandum, it's - - - it can't be more specific 4 than what the sponsor said, that it only refers to the 5 General Business Law. It does not apply to anything else. 6 And since all of these things are being done 7 contemporaneously - - -8 JUDGE STEIN: But - - - but 511 says that as 9 well, right? 10 MR. FERGUSON: 511 - - - 511 refers to tangible

property. This talks about credit card - - -

JUDGE STEIN: No, no, no.

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MR. FERGUSON: - - - as a - - -

JUDGE STEIN: 511 says for - - - only for purposes of General Business Law, and 511 is included in Article 22, when 511-a says that it is only for purposes of - - of the General Business Law. So it - - - the cross - - the - - - the multiple cross-references there or inclusions there, I think, make your - - your argument a little difficult.

MR. FERGUSON: I - - - I respectfully disagree, Your Honor, because again, you have to look at what's going on contemporaneously in 2002. And that is that the legislature is comprehensively trying to deal with these problems.



1	And if they had wanted to, they simply could have
2	amended the penal law as it related to theft of a credit
3	card to cross-reference 511-a. They don't do that.
4	Instead they
5	JUDGE RIVERA: Judge, if I could ask a question?
6	MR. FERGUSON: added
7	JUDGE RIVERA: If I may ask a question?
8	CHIEF JUDGE DIFIORE: Yes, Judge Rivera.
9	JUDGE RIVERA: So counsel, I just want to be
10	clear. Under your interpretation of these various sections
11	and the and the statutes these various statutes
12	at play here, what could a person who steals the card and
13	then uses the card be charged with?
14	MR. FERGUSON: The person who steals the card and
15	uses the card is charged with the theft of the card and
16	also the use of the card. It's our position that if a
17	person
18	JUDGE RIVERA: I'm sorry. So just to be clear,
19	before you move on.
20	MR. FERGUSON: Right.
21	JUDGE RIVERA: I'm sorry. But just to be clear
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23	MR. FERGUSON: Okay.
24	JUDGE RIVERA: I just want to understand
25	this. So they would be liable under they would be

criminally liable or - - - or could be prosecuted under 1 2 both the larceny statutes as well as the identity theft, 3 the personal identifying information statutes? Is that 4 your position? 5 MR. FERGUSON: Abso - - - absolutely, Your Honor. 6 JUDGE RIVERA: Okay. So they could be liable for 7 different kinds of felonies, as - - - and depending on the 8 facts, maybe only a misdemeanor on the unlawful possession 9 of - - of the personal identifying information, i.e., the 10 credit card number? MR. FERGUSON: That's correct, Your Honor. 11 12 JUDGE RIVERA: Okay. I'm sorry; I interrupted 13 you. I don't know if you wanted to add to - - -14 MR. FERGUSON: And that - - - and again - - - and 15 again, because - - - because they're dealing with this all 16 at the same time, and they certainly could have - - - it -17 - - it's a problem of drafting. 18 Here, the legislature had the opportunity to 19 cross-reference it to Title J. They did not. They did not 20 cross-reference it to the penal law. The penal law refers to 511. They didn't - - - they did not amend the penal law 21 22 to say that it covers 511-a.

Therefore, it's our position that this situation, possessing simply the numbers, is not, in and of itself, a criminal offense.



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1 JUDGE FAHEY: Can - - can I just follow up on 2 that point, Mr. Ferguson? 3 MR. FERGUSON: Yes, Your Honor. 4 JUDGE FAHEY: Judge is that all right? Thank 5 you. 6 I guess what I'm struggling with is the logic of 7 the position, maybe on both sides. 8 It seems to me that a plastic card without 9 numbers on it is not a credit card. However, I can go on the internet just using my numbers and buy anything I want 10 up to my credit limit. 11 12 And that the - - - the exercise - - - the 13 essential element, the sine qua non, to quote our Latin 14 teachers, is the number on the credit card. And - - - and 15 the use of that number seems to me, to be the criminal act 16 --- the --- the act of theft. And --- and the 17 possession of that number is also what constitutes 18 possession for purposes of "knowingly possess". 19 I guess the - - - the question has to be is it 20 essential that you have both the plastic card and the 21 number to be charged with the crime, because it is not 22 essential for - - - as we all know, to use that number in a 23 variety of formats, and the card is totally unnecessary. 24 MR. FERGUSON: But when they created the - - -

when they amended the statute to create a charge for a

felony for possession of a credit card and the theft of a 1 2 credit card, it was to deal with the valuation issue, 3 because it was - - - it really had no value as - - - just 4 as a plastic piece. 5 JUDGE FAHEY: No, but it did have - - -6 MR. FERGUSON: And so when - - -7 JUDGE FAHEY: Let me just stop you - - -8 MR. FERGUSON: - - - Governor Rockefeller - -9 JUDGE FAHEY: - - - there. Mr. Ferguson? 10 MR. FERGUSON: Yes. 11 JUDGE FAHEY: It did have a value as a number. 12 What's happened, though, is that commerce has changed, and 13 the number is all you really need to exercise your 14 commercial rights to someone else's credit. 15 MR. FERGUSON: Again, that's - - - that's 16 absolutely true, Your Honor. But again, what we're getting 17 back to is how this statute is written. 18 And the basic canons of statutory construction 19 are that you go by the plain language of the statute. And 20 the plain language of the statute here indicates that you 2.1 need the tangible card for it to be this particular crime, 2.2 not simply the numbers. 23 And we believe that the analysis - - - the 24 detailed analysis taken by the Second Department in Luis C.

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is the - -

2 question? 3 CHIEF JUDGE DIFIORE: (Nodding yes.) 4 JUDGE RIVERA: Counsel, what if any meaning do 5 you give to the fact that in 155.00, for both credit card 6 and debit card, but - - - but I know we're dealing with a 7 credit card here - - - it says that that that - - - that 8 credit card means "any instrument or article". What, if 9 anything - - - what, if any, meaning does that carry for 10 this analysis? 11 MR. FERGUSON: All of it goes to that it was a 12 tangible - - - something that is tangible. When you say 13 "article", when you say "card", it all is tangible 14 property, something that can be physically held. The 15 number itself is not enough. 16 CHIEF JUDGE DIFIORE: Thank you, counsel. 17 Counsel? 18 MR. YETTER: Good afternoon, Your Honors. 19 Michael Yetter for the People. 20 In 2002, the legislature realized the 1962 2.1 definition of credit card was no longer adequate - - -2.2 JUDGE GARCIA: Counsel, it's - - - we're having 23 some trouble hearing you. 24 CHIEF JUDGE DIFIORE: Counsel, we're have a 25 little difficulty hearing you. Perhaps if you could raise

JUDGE RIVERA: Judge, if I may ask another

1 the volume of your microphone, if that's possible? Or - -2 - or maybe, perhaps, a little closer? MR. YETTER: 3 I'm sorry. Can you hear me now? 4 CHIEF JUDGE DIFIORE: Well, not well, but if you 5 keep your voice elevated, I think we'll be able to. 6 MR. YETTER: Okay. I'm sorry about that, Your 7 Honors. 8 CHIEF JUDGE DIFIORE: It's okay. 9 MR. YETTER: What I - - - the point I was trying 10 to make is that in 2002, the definition of credit card was 11 changed in the General Business Law Section 511-a. And my 12 opponent's complaints are basically about the way in which 13 the amendment was done, and not about the substance. 14 I think - - -15 JUDGE RIVERA: How - - -16 MR. YETTER: --- for the ---17 JUDGE RIVERA: Judge, if I may ask? 18 CHIEF JUDGE DIFIORE: Yes. 19 JUDGE RIVERA: Counsel, it - - - it does appear, 20 unlike - - - unlike Judge Garcia's version of including the 2.1 language about any number associated or assigned to a 2.2 credit card within 511 itself - - - it - - - it is a little 23 odd to call an amendment, something where you have a 24 separate free-standing statute. I find that very odd.

The legislature just doesn't do that.

not a mere drafting error. This is absolutely intentional. And it - - it does strike me as going against every rule of drafting.

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Can you explain how - - - how - - - your position, how one explains that it cannot merely be an error.

MR. YETTER: No, I don't know that it was an error, Your Honor. And unfortunately, I don't think the legislature clearly stated why they went with 511-a instead of a subdivision in 511 itself, like Judge Garcia mentioned.

But what they did say is for the purposes of this article, a definition of credit card shall include any number assigned to it.

and about in the penal law, and just at that same moment, could have, of course - - of course, amended 155.007 to refer to 511-a?

Again, I - - - my difficulty with your analysis is I have to ignore numerous rules of construction. And the court has to add in language to get to your analysis



and your conclusion. And that's where I'm having a 1 2 challenge. 3 So the - - - tell me how we can explain that? 4 MR. YETTER: Well, as I think I was trying to 5 state, Your Honor, we believe it is pretty straightforward, 6 both from a reading of the statute sense and also from the 7 statutory and legislative history. 8 Again, 511-a says "for purposes of this article 9 the defin - - - definition shall include credit card 10 number." Of course the penal law 155.007 cross references We believe that 511-a amends the definition that in 11 511. 12 1962 was placed in the General Business Law. 13 And we think it would be - - -14 15

JUDGE RIVERA: Let - - - let me ask you this. If - - - if - - - let's say I agree with you on that, then how does that explain that - - - if we read it that way, that means that credit card holders get greater protection than debit card holders. And that seems to me to run counter to what the legislature had been doing over and over again.

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I think Luis C., the court there pointed to that too. How do you address that issue?

MR. YETTER: Well, Your Honor, the legislature did not amend 511(9) through 511-a. It could have done so, but it didn't. And it might have been concerned, at that time, with the fact that credit cards may have been - - -



there may have seen more instances of fraud owing to credit card use than debit card use - - -

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JUDGE RIVERA: Yes, but that's my point. In that suite of new crimes, debit cards are included. So it does seem - - and debit cards are added in later after credit cards, throughout the Penal Law and the GBL.

So it does seem that the - - - the legislature is trying to put the holders on equal footing. And again, your analysis as Luis C. - - - the court in Luis C. points out, would mean that a debit card holder is - - - doesn't get the same kind of protections, and there's not the same kind of criminalization of that bad act that there is for someone who is a credit card holder.

MR. YETTER: Right. And - - - and I think that's correct under - - - under the 2002 definition in the amendment. And I think to the extent Luis C. talks about a debit card, it's correct; but to the extent it talks about a credit card, it's not, because for whatever reason, the legislature decided that a credit card number was something that it needed to include in the larceny statutes, and it would be odd that - - - you know, given the - - -

JUDGE RIVERA: Well, it would lead - - - it would lead to an absurd result; wouldn't it? Someone steals - - looks in my wallet, writes down my credit card numbers and writes down my debit card numbers and goes about the

business of using both. But under your scenario, they're only liable on the larceny statute side anyway, for the credit card number. It does seem a bit odd, doesn't it?

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MR. YETTER: It does seem odd today, Your Honor.

And it's something that certainly is ripe for review by the legislature. But I don't think in 2002 it was necessarily that odd, given the situation in a certain sense that the event is present.

And we do think it would be odd that given the longstanding relationship between Article - - - or I'm sorry, Section 511 of the General Business Law and Section 155 of the Penal Law, that in enacting these sort of broad legislations to combat exactly the kinds of crimes that we have here, that the legislature somehow intended to, you know, pass these new laws but circumscribe or cabin the theft of the credit card only to a physical card, a plastic card itself.

JUDGE RIVERA: You agree here, though, that the defendant, even though he wasn't charged with it, could have been charged with one of those identity theft provisions?

MR. YETTER: I - - - I believe yes, that he - - - he could have been, based on his use of the credit card, both in the Uber and at the Verizon store.

JUDGE RIVERA: So in reality, he would have



suffered a great deal of criminal - - - he would have been exposed - - - let me put it that way - - - to significant criminal liability if we adopt the reading that defense counsel is arguing for; it's just you've got to do the correct charging?

MR. YETTER: Well, I mean, the - - - the criminal liability on - - - on the use, you know, depends on either the dollar valuation or the number of pieces of personal identification information. You could bump it up.

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I believe here we would get into felony territory based upon the amount used at the - - - at the Verizon store. It was over 500 dollars.

But we just think our - - - our reading is consistent both with the text and the history of the statute. And I think - - - you know, my - - - my opponent's - - -

JUDGE RIVERA: If I agree with you for the single

- - - for the single theft at a very low amount, you get

the person to have a felony. I - - - I think that's what

you're talking about.

MR. YETTER: That's right. That's right. And I think that they work together.

JUDGE RIVERA: But - - - but you agree that the legislature could have decided that's not the outcome they were seeking, correct, even though you think it is. But



you can agree that the legislature could have made a decision that that's not the outcome they wanted, correct?

MR. YETTER: Yes.

JUDGE RIVERA: Yeah.

MR. YETTER: And - - - and I think if they wanted that, they would have made it very clear, given the longstanding relationship between those two statutes.

So unless there are any further questions, we believe that the - - - the Appellate Division properly resolved the issue in this case and ask you to affirm.

CHIEF JUDGE DIFIORE: Thank you, counsel.

Counsel?

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MR. FERGUSON: Your Honors, both the First

Department and the Second Department in Barden and in Luis

C., looked at the legislature - - legislative history of

this particular statute, and both came to the conclusion

that the legislative history pointed to the interpretation

that we are advancing here.

In addition, there is the principle of lenity.

The best we have here is competing interpretations of what the statute means. And under those circumstances, the canons of construction indicate that the interpretation that should be held by the court is the one more favorable to the defendant. So that even under the principles of lenity, that we should prevail.



And I'd like to take just a - - - a brief moment or two to address the evidentiary issues that we also raised, one of which is, I think it's very important for this court, because it deals with Russell and Sanchez and going back to a Latin term that was ear - - used in an earlier case. The question is whether the sine qua non in having an individual identify someone from a videotape is - - whether or not there is a changed appearance.

It's our position that under Russell and Sanchez,

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It's our position that under Russell and Sanchez, there had to be a changed appearance, otherwise the jury itself, which has the opportunity throughout the trial, to look at the defendant, can make a determination as to whether that person is the person depicted in the videotape.

JUDGE STEIN: Judge DiFiore, may I inquire?

CHIEF JUDGE DIFIORE: Yes, Judge Stein.

MR. FERGUSON: What's that?

JUDGE STEIN: Yet, can't - - - can't those cases be read as saying that was the reason in the - - - in those particular cases why the testimony - - - why the identification was permitted; but I - - - I'm not sure that they can be read as saying those - - - that is the only circumstance in which - - -

MR. FERGUSON: Your Honor, if - - - if the opinions had been written in the disjunctive, I would agree



with Your Honor. But they read - - - they - - - they were 2 lit - - - the were written in terms of the conjunctive. 3 It was "and there was a changed appearance". And 4 I think under those circumstances, and what you're hap - -5 6 JUDGE STEIN: Right, but - - - but - - -7 MR. FERGUSON: - - - what you're - - -8 JUDGE STEIN: - - - but there's a broader 9 principle involved there, and that is that it - - - it would be help - - - because of some circumstance - - -10 11 maybe it's a - - - a changed appearance, maybe it's a poor 12 quality photograph or video, but something makes it useful 13 - - - helpful to the jury to have this person who is 14 familiar with the person being identified to - - - you 15 know, to - - - to testify, to explain. So - - - and 16 certainly a change in appearance would fall within that 17 broader principle. 18 But my other question is, is why - - - why - - -19 why was that - - - if there was error there, identity 20 wasn't an issue here. So why does it matter in this case? 21 MR. FERGUSON: Let - - - let me go back to - - -22 the - - - the problem here is how Russell and Sanchez has 23 now been interpreted by the lower courts. 24 As a matter of course now, individual witnesses 25 are allowed to routinely identify people by videotapes and

photographs. That can't be the purpose that this court set forth in Russell and Sanchez, that it was - - - that was supposed to be in exceptional circumstances.

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Instead, what's happened is, this is happening as a matter of course now. And this court has the opportunity to correct that.

And as to the issue of harm in this particular case, identity is an issue. If the - - - because there's a series of evidentiary issues here that are contained in our brief, and I'm not going to go into all the details of - -

JUDGE STEIN: I thought the defense was that he was authorized?

MR. FERGUSON: There - - - there's - - - but what you have here is they also have to prove his identity. And the reality here is, absent these evidentiary errors that we have in our brief, there is no live witness who testifies that my client has committed any of these crimes, and that once you remove all of these evidentiary items, the overall impact of these series of evidentiary errors tainted the result and tainted the resolution of this case.

And we believe that under those circumstances, this was not harmless. If it was a singular error, it was simply the - - - the videotape identification, that would be something different. But it's a series of evidentiary



1	errors.
2	And when they are compounded together, we believe
3	that it becomes harmful error. Thank you, Your Honors.
4	CHIEF JUDGE DIFIORE: Thank you, counsel.
5	Thank you.
6	(Court is adjourned)
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CERTIFICATION I, Penina Wolicki, certify that the foregoing transcript of proceedings in the Court of Appeals of The People of the State of New York v. Frederic Badji, No. 7 was prepared using the required transcription equipment and is a true and accurate record of the proceedings. Penina waich. Signature: Agency Name: eScribers Address of Agency: 352 Seventh Avenue Suite 604 New York, NY 10001 Date: January 12, 2021

