

2018 New York State YMCA

Youth And Government

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Committee Assignment: Assembly Liberty 2 Bill #: AL-10

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An Act To

Amend Section §899 of Article 39 of the General Business Law to add a punishment for people or businesses that do not adequately protect a person's personal information.

The People of the State of New York, represented in the Senate and Assembly do enact as follows:

Purpose:

The purpose of this bill is to further force businesses to protect the identities held byof New York citizens.

Summary Of Provisions:

Section 1: Definitions

Personal Information: Any information concerning a natural person which, because of name, number, personal mark, or other identifier, can be used to identify such natural person, which includes social security, debit or credit cards, or driver's permit and license.

Due Diligence: reasonable steps taken by a person in order to satisfy a legal requirement, especially in buying or selling something <u>Section 2:</u>

§ 899-2. Any person or business which conducts business in New York state, and which owns or licenses computerized data which includes private information shall disclose any breach of the security of the system following discovery or notification of the breach in the security of the system to any resident of New York state whose private information was, or is reasonably believed to have been, acquired by a person without valid authorization. The disclosure shall be made in the most expedient time possible and without unreasonable delay, consistent with the legitimate needs of law enforcement, as provided in subdivision four of this section, or any measures necessary to determine the scope of the breach and restore the reasonable integrity of the system. If any person or business that conducts business in New York state, and which owns or licenses computerized data including personal information, which does not adequately protect the private information, will face a fine of up to \$100,000 per incident of inadequate protection. A determination of inadequate protection shall be made by the state comptroller and attorney general who shall be granted



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access to the business and its protection methods

Justifications:

The privacy software of CVS has reported 60% of patient files that have been compromised across the US; these include social security numbers and driver's license information.Despite the massive amount of information theft that has occurred, CVS has not notified any of the affected parties or changed their privacy policies at all. CVS has also been known to intrust these files with contractors without any background checks required. For many, CVS is the only pharmacy they can use for their pharmaceutical needs, and the fact that CVS can put people's identities on the line is truly despicable. They are not the only company that fails to take the consumer's safety into consideration; they are just one of many. With identity theft as prevalent as it has become, with 400,000 cases being filed for in the US alone last year, our companies aren't doing enough to protect their customers. We want to push for a safer environment for the consumer, free from the fear that our personal information is not personal anymore.

Fiscal Implications:

There will be no fiscal implications that will affect the New York State Budget **Effective Date:**

This bill will go into effect immediately after passage