

STATE OF NEW YORK

5721

2019-2020 Regular Sessions

IN SENATE

May 13, 2019

Introduced by Sen. COMRIE -- read twice and ordered printed, and when printed to be committed to the Committee on Internet and Technology

AN ACT to amend the general business law, in relation to requiring certain businesses to offer identity theft prevention and mitigation services in the case of a security breach

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

1 Section 1. Subdivision 2 of section 899-aa of the general business
2 law, as added by chapter 442 of the laws of 2005, is amended and a new
3 subdivision 10 is added to read as follows:

4 2. Any person or business which conducts business in New York state,
5 and which owns or licenses computerized data which includes private
6 information shall disclose any breach of the security of the system
7 following discovery or notification of the breach in the security of the
8 system to any resident of New York state whose private information was,
9 or is reasonably believed to have been, acquired by a person without
10 valid authorization. The disclosure shall be made in the most expedient
11 time possible and without unreasonable delay, consistent with the legit-
12 imate needs of law enforcement, as provided in subdivision four of this
13 section, or any measures necessary to determine the scope of the breach
14 and restore the reasonable integrity of the system. The disclosure
15 required by this subdivision shall include sufficient information for
16 any resident of New York state whose private information was, or is
17 reasonably believed to have been, acquired by a person without valid
18 authorization, to obtain free, reasonable credit report monitoring,
19 identity theft prevention services and, if applicable, identity theft
20 mitigation services as described in subdivision ten of this section.

21 10. (a) Where a security breach from a person or business other than a
22 consumer credit reporting agency includes a social security number, and
23 that person or business that is required to provide notice under subdi-
24 vision two of this section, that person or business shall offer each

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 resident of this state whose social security number was disclosed in the
2 breach of security or is reasonably believed to have been disclosed in
3 the breach of security, reasonable credit report monitoring, identity
4 theft prevention services and, if applicable, identity theft mitigation
5 services at no cost to said resident for a period of not less than twen-
6 ty-four months.

7 (b) The requirement to provide twenty-four months of identity theft
8 mitigation services shall not apply to any individual person or small
9 business as defined in section one hundred thirty-one of the economic
10 development law that can demonstrate a financial hardship directly owing
11 to such compliance. A request for a financial hardship waiver shall be
12 made to the commissioner of the department of financial services on a
13 form prescribed by the department of financial services.

14 § 2. This act shall take effect on the one hundred eightieth day after
15 it shall have become a law. Effective immediately, the addition, amend-
16 ment and/or repeal of any rule or regulation necessary for the implemen-
17 tation of this act on its effective date are authorized to be made and
18 completed on or before such effective date.