S T A T E O F N E W Y O R K

3392

2009-2010 Regular Sessions

I N S E N A T E

March 18, 2009

Introduced by Sen. NOZZOLIO -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection

AN ACT to amend the general business law, in relation to limitations of the use of social security numbers

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Legislative findings and declaration. The original purpose of the social security number was to serve as a mechanism for the federal government to track the earnings of an individual in order to determine the amount of social security taxes to credit to the individual's account. Since its creation, the social security number has been used for numerous purposes by private businesses as well as government. The increased use of the social security number has led to invasion of individuals' privacy as well as fraud and identity theft. In the absence of federal statutory provisions protecting social security numbers from misuse, the legislature finds it necessary and appropriate to provide for such protections in this state.

S 2. The general business law is amended by adding a new section 144 to read as follows:

S 144. LIMITATIONS OF THE USE OF SOCIAL SECURITY NUMBERS. 1. DEFINITIONS:

(A) "ORGANIZATION" SHALL MEAN ANY NATURAL PERSON, GOVERNMENTAL AGENCY OR UNIT, CORPORATION, TRUST, UNINCORPORATED ASSOCIATION, NOT-FOR-PROFIT ORGANIZATION, PARTNERSHIP, AFFILIATE AND ANY OTHER COMMERCIAL ENTITY LOCATED OR DOING BUSINESS IN THE STATE.

(B) "INFORMED WRITTEN CONSENT" MEANS WRITTEN CONSENT GIVEN AFTER BEING INFORMED WHETHER PROVIDING A SOCIAL SECURITY NUMBER IS VOLUNTARY OR MANDATORY, WHAT STATUTORY AUTHORITY REQUIRES PROVIDING THE NUMBER AND HOW SUCH NUMBER WILL BE USED.

2. NO ORGANIZATION SHALL SELL, SHARE, LEASE, OR TRADE AN INDIVIDUAL'S SOCIAL SECURITY NUMBER WITH ANY OTHER PERSON WITHOUT INFORMED WRITTEN

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

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CONSENT OF THE INDIVIDUAL TO WHOM THE SOCIAL SECURITY NUMBER PERTAINS, EXCEPT WHERE ALLOWED BY STATE OR FEDERAL LAW.

S 3. This act shall take effect on the first of January next succeeding the date on which it shall have become a law.