

7347--A

I N   S E N A T E

April 20, 2016

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Introduced by Sen. VALESKY -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general business law, in relation to the timeliness of disclosure of a breach of the security of a system which contains private information

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 to read as  
3     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  
12    legitimate needs of law enforcement, as provided in subdivision four of  
13    this section, or any measures necessary to determine the scope of the  
14    breach and restore the reasonable integrity of the system. REASONABLE  
15    DELAY UNDER THIS SUBDIVISION SHALL NOT EXCEED FORTY-FIVE DAYS, EXCEPT AS  
16    PROVIDED IN SUBDIVISION FOUR OF THIS SECTION OR UNLESS THE PERSON OR  
17    BUSINESS SEEKING ADDITIONAL TIME DEMONSTRATES TO THE ATTORNEY GENERAL  
18    THAT ADDITIONAL TIME IS REASONABLY NECESSARY TO DETERMINE THE SCOPE OF  
19    THE BREACH OF THE SECURITY SYSTEM, PREVENT FURTHER DISCLOSURES, CONDUCT  
20    THE RISK ASSESSMENT, AND RESTORE THE REASONABLE INTEGRITY OF THE SECURI-  
21    TY SYSTEM. IF THE ATTORNEY GENERAL DETERMINES THAT ADDITIONAL DELAY IS  
22    NECESSARY THE AGENCY MAY EXTEND THE TIME PERIOD FOR NOTIFICATION FOR  
23    ADDITIONAL PERIODS OF UP TO FORTY-FIVE DAYS EACH. ANY SUCH EXTENSION  
24    SHALL BE PROVIDED IN WRITING.  
25    S 2. This act shall take effect immediately.

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

LBD15026-02-6