STATE OF NEW YORK

1104--A

Cal. No. 250

2017-2018 Regular Sessions

IN SENATE

January 6, 2017

Introduced by Sen. VALESKY -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

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:

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

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**. Reasonable delay under this subdivision shall not exceed forty-five days, except as provided in subdivision four of this section or unless the person or business seeking additional time demonstrates to the attorney general that additional time is reasonably necessary to determine the scope of the breach of the security system, prevent further disclosures, conduct the risk assessment, and restore the reasonable integrity of the security system. If the attorney general determines that additional delay is**

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

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necessary the agency may extend the time period for notification for additional periods of up to forty-five days each. Any such extension shall be provided in writing.

§ 2. This act shall take effect on the ninetieth day after it shall have become a law.