

STATE OF NEW YORK

3970

2019-2020 Regular Sessions

IN SENATE

February 22, 2019

Introduced by Sen. SAVINO -- 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 the sale and use of employment information

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

1 Section 1. Section 380-v of the general business law, as relettered
2 by chapter 441 of the laws of 2014, is relettered section 380-w and a
3 new section 380-v is added to read as follows:

4 § 380-v. Sale and use of employment information. (a) No consumer
5 reporting agency or any subsidiary thereof shall sell or resell, or
6 offer for sale or resale or distribute employment information to any
7 principal creditor, as that term is defined in subdivision three of
8 section six hundred of this chapter, or other debt collector without
9 verifying that such sale, resale, or distribution was disclosed to the
10 consumer to whom such employment information pertains in a separate
11 stand-alone document, and that written consent from such consumer was
12 obtained. Employment information shall include, but not be limited to,
13 payroll and earnings information, hours worked, consumer history and
14 health insurance information.

15 (b) Such disclosure and consumer consent shall be given in a separate,
16 stand-alone document and consent shall be limited to the particular use
17 or transaction for which consent is given.

18 (c) Wherever there shall be a violation of this section, an applica-
19 tion may be made by the attorney general in the name of the people of
20 the state of New York to a court or justice having jurisdiction by a
21 special proceeding to issue an injunction, and upon notice to the
22 defendant of not less than five days, to enjoin or restrain the contin-
23 uance of such violation; and if it shall appear to the satisfaction of
24 the court or justice that the defendant has, in fact, violated this
25 section, an injunction may be issued by such court or justice, enjoining

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

LBD02680-01-9

1 and restraining any further violation, without requiring proof that any
2 person has, in fact, been injured or damaged thereby. In any such
3 proceeding, the court may make allowances to the attorney general as
4 provided in paragraph six of subdivision (a) of section eighty-three
5 hundred three of the civil practice law and rules, and direct restitu-
6 tion. Whenever the court shall determine that a violation of this
7 section has occurred, the court may impose a civil penalty of not more
8 than two thousand dollars for each violation. In connection with any
9 such proposed application, the attorney general is authorized to take
10 proof and make a determination of the relevant facts and to issue
11 subpoenas in accordance with the civil practice law and rules.

12 (d) In addition to any right of action granted to the attorney general
13 pursuant to this section, any person who has been injured by reason of
14 any violation of this section may bring an action in his or her own name
15 to enjoin such unlawful act or practice, an action to recover his or her
16 compensatory damages and one thousand dollars, or both such actions. The
17 court may, in its discretion, award the prevailing plaintiff in such
18 action an additional award not to exceed five thousand dollars, if the
19 court finds the defendant willfully violated the provisions of this
20 section. The court may award reasonable attorneys' fees to a prevailing
21 plaintiff.

22 (e) Nothing in this section shall in any way limit the rights, reme-
23 dies or privileges that are otherwise available to a consumer at law or
24 equity.

25 § 2. This act shall take effect on the one hundred eightieth day after
26 it shall have become a law.