STATE OF NEW YORK

6806--A

2021-2022 Regular Sessions

IN SENATE

May 18, 2021

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

AN ACT to amend the state technology law, in relation to the payment of ransom in the event of a cyber incident or a cyber ransom or ransomware attack

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

Section 1. The state technology law is amended by adding a new article 4 to read as follows:

ARTICLE IV
CYBER SECURITY INCIDENTS

Section 401. Payment of ransom; cyber incident, cyber ransom or ransomware.

§ 401. Payment of ransom; cyber incident, cyber ransom or ransomware. 1. For the purpose of this section:

a. "Cyber incident" means the compromise of the security, confidentiality, or integrity of computerized data due to the exfiltration, modification, or deletion that results in the unauthorized acquisition of and access to information maintained by a governmental entity, business entity, or health care entity.

b. "Cyber ransom or ransomware" means a type of malware that encrypts or locks valuable digital files and demands a ransom to release the files.

c. "Governmental entity" shall mean any state, city, town or village or local department, board, bureau, division, commission, committee, school district, public authority, public benefit corporation, council or office, including all entities defined pursuant to section two of the

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

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public authorities law. Such term shall include the state university of New York and the city university of New York as well as the state legislature, the judiciary or state and local legislatures.

d. "Business entity" shall mean any legal entity that conducts business in the state of New York.

e. "Health care entity" shall mean hospitals, nursing homes, home care, hospice and any other health care facilities regulated by the department of health.

2. No governmental entity, business entity or health care entity within the state shall pay, or have another entity pay on their behalf, ransom in the event of a cyber incident or a cyber ransom or ransomware attack.

3. All governmental entities shall report any cyber incidents and cyber ransom or ransomware attacks to the New York state division of homeland security and emergency services.

4. Any business entity that violates the provisions of this section shall be subject to a civil penalty of up to ten thousand dollars assessed by the attorney general.

§ 2. This act shall take effect immediately.