

## What is the New York Information Security Breach and Notification Act?

*The New York Information Security Breach and Notification Act (A04254) requires businesses to notify affected individuals when a security breach results in their private information being released to unauthorized parties. The Act specifies the notification steps businesses must follow in the event of a security breach. It came into effect December 7, 2005.*

### Who is affected?

*This Act affects all individuals and businesses that conduct business in New York and that store private information of New York residents. Private Information is defined as personal information (such as a name or personal number or other identifier that can be used to identify a natural person) in combination with one or more of the following nonpublic, unencrypted (or encrypted with an encryption key that has also been acquired) pieces of information: a social security number, a driver's license number or non-driver identification card number, or a bank account, credit card or debit card number accompanied by any passwords or security codes necessary to permit access to the account.*

### What does the Information Security Breach and Notification Act have to do with information management?

*According to the Act, New York persons or businesses are responsible for the security of their computerized customer records. If companies experience a security breach and disclose personal information to unauthorized parties, they are responsible for notifying the affected individuals.*

*By monitoring and controlling the amount of customer data held on site in computerized form, businesses can reduce the risk of losing or otherwise releasing data to unauthorized parties. Computer backups containing personal information that are no longer needed should be disposed of securely. Similarly, other computerized mediums containing personal information, such as CDs, computer disks and hard drives should be destroyed once no longer needed.*

### What do companies have to do to comply with the Act?

*Businesses must alert affected New York residents when private information which is not publicly available is acquired, or is thought to have been acquired, by unauthorized parties. Methods for notifying affected individuals are outlined in the Act. If the cost of notifying affected individuals is more than \$250,000 or if the number of affected individuals exceeds 500,000 or if the business does not have sufficient contact information, substitute notification methods may be followed.*

*Businesses that experience a breach of more than 5,000 New York residents at a time must also notify consumer reporting agencies that use any means of interstate commerce.*

*Failure to comply with this act could result in fines of the greater of \$5,000 or \$10 for each failed notification, to a maximum of \$150,000. In addition, civil recovery of actual and consequential damages may be available. Additionally, businesses that experience a security breach must contact the state attorney general, the State Office of Cyber Security and Critical Infrastructure Coordination, and the Consumer Protection Board to provide them with details about the breach.*

### How can we help?

*As you develop your document disposal program in accordance with the Information Security Breach and Notification Act, consider contracting Securit to handle your document destruction needs. Securit destroys all of your confidential materials, including computerized data such as CD-ROMs/CD-Rs/DVDs and computer backups. By providing locked consoles for your office, Securit makes it easy and efficient to destroy unnecessary copies of your customers' personal information. Securit destroys documents on site in our mobile shredding truck. Documents are shredded into confetti sized pieces and then recycled. For peace of mind, contact Securit today at 1 800 697-4733.*

For more information:

New York State Assembly - <http://www.assembly.state.ny.us>

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