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## **Governor Pataki Signs Disposal of Personal Records Law**

On June 7, 2006, Governor Pataki signed into law the Disposal of Personal Records Law, which will take effect on December 6, 2006. The law, which adds a new section 399-h to the General Business Law, mandates the proper disposal or destruction of records containing personal information in order to help address the growing problem of identity theft. To read the bill, go to <http://assembly.state.ny.us/leg/?bn=A08456&sh=t>.

*What the law says:* A corporation may not dispose of a record containing personal identifying information unless the corporation (a) shreds the record, (b) destroys the personal identifying information contained in the record, (c) modifies the record to make the personal identifying information unreadable, or (d) uses commonly accepted industry practices that it reasonably believes will ensure that no unauthorized person will have access to the personal identifying information contained in the record.

*What is personal identifying information:* Any personal information about an individual (such as name, number, personal mark or other identifier) in combination with any one or more of the following: social security number, driver's license number, non-driver identification card number, mother's maiden name, financial services account number or code, savings or checking account number or code, debit card number or code, automated teller machine number or code, electronic serial number, or personal identification number. *Please note that both personnel and client files might contain personal identifying information.*

*Penalties for noncompliance:* The Attorney General may impose a penalty of up to \$5,000 for each violation. Moreover, where identity theft occurs due to an organization's negligent disposal of records, the organization may face additional liability.

*This alert is meant to provide general information only, not legal advice. The Disposal of Personal Records Law contains specific requirements and details not included here. Please contact Maria Cilenti at Lawyers Alliance for New York at (212) 219-1800 x 222 for further information.*

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