

New York State Social Security Number Protection Law
(General Business Law section 399-dd)

Please note: The information provided in this document does not constitute, and is no substitute for, legal or other professional advice. Seek consultation from legal or other professional advisors for individualized guidance regarding the application of the law to your particular situation or regarding other compliance-related concerns.

The New York Social Security Number Protection Law imposes severe financial penalties for the misuse or improper dissemination of Social Security numbers. The law applies to all non-governmental bodies, including individuals, corporations, partnerships and associations. The law prohibits the following:

- 1) Intentionally communicating or otherwise making available in any manner an individual's Social Security number to the general public. (Although an individual may communicate his or her own social security number as he or she deems appropriate);
- 2) Printing an individual's Social Security number on any card or tag required for the individual to access products, services or benefits;
- 3) Requiring an individual to transmit his/her Social Security number over the internet, unless the connection is secure or the Social Security number is encrypted;
- 4) Requiring an individual to use his/her Social Security number to access an internet website, unless a password or unique personal identification number or other authentication device is also required to access the internet website;
- 5) Printing an individual's Social Security number on any materials that are mailed to the individual, unless state or federal law requires the Social Security number to be on the document mailed. [Notwithstanding the above, Social Security numbers may be included in applications and forms sent by mail, including documents sent as part of an account, contract or policy, or to confirm the accuracy of the Social Security number]. A Social Security number that is permitted to be mailed may not be printed, in whole or part, on a postcard or other mailer not requiring an envelope, or visible on the envelope or without the envelope having been opened.
- 6) [Effective January 3, 2009] Encoding or embedding a Social Security number in or on a card or document, including but not limited to, using a bar code, magnetic strip, or other technology, in place of removing the Social Security Number.
- 7) [Effective January 3, 2009] Filing any document available for public inspection with any State agency, political subdivision, or in any court of the State of New York that contains a Social Security account number of any person, unless such other person is a dependent child, or has consented to such filing, except as required by federal or State law or regulation, or by court rule.

Additionally, the law provides that any covered individual or entity that possesses Social Security numbers must adopt reasonable measures to limit access to the Social Security numbers. Any person or employee who has access to Social Security numbers must have a legitimate reason for the access. Moreover each covered individual or entity must provide safeguards “necessary” or “appropriate” to include unauthorized access and to protect confidentiality of the numbers. (The law does not define specific measures that are deemed “necessary” or “appropriate”).

The first violation of the law may result in a civil penalty of no more than \$1,000 for a single violation and \$100,000 for multiple violations. Any subsequent violation may result in a civil penalty of no more than \$5,000 for a single violation and \$250,000 for multiple violations.