

MEMO# 23140

December 19, 2008

New York Law Designed to Protect Social Security Numbers of New York Employees Takes Effect January 1, 2009

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TO: BANK, TRUST AND RECORDKEEPER ADVISORY COMMITTEE No. 40-08
BROKER/DEALER ADVISORY COMMITTEE No. 51-08
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OPERATIONS MEMBERS No. 26-08
PRIVACY ISSUES WORKING GROUP No. 19-08
SMALL FUNDS MEMBERS No. 75-08
TRANSFER AGENT ADVISORY COMMITTEE No. 72-08 RE: NEW YORK LAW DESIGNED TO PROTECT SOCIAL SECURITY NUMBERS OF NEW YORK EMPLOYEES TAKES EFFECT JANUARY 1, 2009

Effective January 1, 2009, New York law has been revised to protect employees' personal identifying information, particularly social security numbers. This new law, Section 203-d of the New York Labor Law, prohibits an employer, unless otherwise required by law, from:

- Publicly posting or displaying an employee's social security number;
- Visibly printing such number on any identification badge or card, including any time card;
- Placing such number in files with unrestricted access; or
- Communicating an employee's personal information to the general public. As used in this provision, "personal information" includes, in addition to the employee's social security number, their home address or telephone number, personal e-mail address, Internet identification name or password, parent's surname prior to marriage, or drivers' license number.

The law additionally prohibits using a social security number as an identification number for purposes of any occupational license.

An employer that knowingly violates the above prohibitions may be fined up to \$500. According to the law, “It shall be presumptive evidence that a violation . . . is knowing if the employer has not put in place any policies or procedures to safeguard against such violation, including procedures to notify relevant employees of these provisions.”

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