



NEW YORK STATE SENATOR

Timothy M. Kennedy

In Wake of Large Breach of Consumer Data at Target, Senator Kennedy Urges State to Help Local Businesses Protect NY Consumers

TIMOTHY M. KENNEDY December 23, 2013

| ISSUE: **CONSUMER PROTECTION**

As investigation continues into security breach impacting 40 million customers at Target, Senator Kennedy wants Dept. of Financial Services to launch new actions to strengthen safeguards protecting consumer data in NY.

Kennedy: New York State should launch new actions to help protect consumer data and ensure this 'season of giving' doesn't become a season of stealing customer information.

BUFFALO, N.Y. – In the wake of a large security breach at Target involving the credit card and debit card data of approximately 40 million customers, Senator Tim Kennedy, D-Buffalo, is asking the New York State Department of Financial Services (DFS) to take new steps to ensure and improve the strength of safeguards protecting consumer information across New York State.

Senator Kennedy – the ranking Democrat on the Senate Committee on Commerce, Economic Development and Small Business – is requesting DFS investigate the growing problem of credit card information and consumer-data theft in New York State. Kennedy wants DFS to help reveal the scope of the problem and to shed light on what types of businesses are targeted and where local businesses are most vulnerable. With a full understanding of the

true prevalence of consumer data theft across the state, DFS and the Legislature will be better prepared to devise potential solutions that could effectively prevent information theft and other cyber crimes.

Senator Kennedy is also asking DFS to work with local businesses to help protect their customers' credit card and debit card information, and he's encouraging the department to develop guidelines that will outline actions for small businesses to take to strengthen their security for customers' information. Senator Kennedy says the state, especially DFS, has been aggressive in its efforts to protect consumers, and he believes preventing the theft of customer data and credit card information is the next great action the department should take up.

"As Western New Yorkers make their last-minute holiday purchases, they deserve to have assurances that their credit card information is secure and protected at stores across New York State. Unfortunately, after the major security breach at Target, it seems clear that too many businesses are vulnerable to consumer-data theft and cyber crimes," said Senator Kennedy. "New York State should launch new actions to help businesses protect customer information and ensure this 'season of giving' doesn't become a season of stealing consumer data. With support and guidance from the Department of Financial Services, small businesses operating in New York State will be better geared to protect their customers. It will help send the message that New York State is not just open, but also safe for business."

News reports indicate a growing prevalence of consumer data theft across the county. Target confirmed Thursday that they are investigating a security breach affecting about 40 million customers. The stolen credit card and debit card information was accessed during one of the busiest shopping times of the year, between November 27 and December 15, 2013. In light of this enormous data theft, Kennedy wants new steps taken to protect New York consumers from such damaging security breaches.

In his letter to DFS Superintendent Benjamin Lawskey, Kennedy notes that data theft happens at businesses of all sizes and types – from large retailers like Target to locally-based small businesses. While large breaches at big companies tend to be covered more widely by the news media, Kennedy says smaller businesses – especially those that have been the victims of a security breach – would likely find DFS support and assistance immensely helpful and beneficial.

“Credit card breaches affect companies of all sizes, from large multi-nationals to small mom-and-pop stores,” Kennedy writes. “However, while larger corporations are able to hire expensive consultants to assist them in this regard, guidance from the DFS would be a great help to smaller companies operating in Western New York and throughout the state.”

Senator Kennedy encourages Western New Yorkers to keep an eye on their account statements to monitor for any suspicious activity. Consumers can also access free credit reports to monitor for any suspicious or unexpected charges. If you notice any unusual charges or activity, you should report it to your bank or financial institution immediately.

You can read Senator Kennedy's letter to DFS below, or view a copy of it at [this link](#).

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Senator Timothy M. Kennedy represents the New York State Senate's 63rd District, which is comprised of the town of Cheektowaga, the city of Lackawanna and nearly all of the city of Buffalo. More information is available at <http://kennedy.nysenate.gov>.

Full Text of Senator Kennedy's Letter to Department of Financial Services:

December 20, 2013

Dear Superintendent Lawskey:

I write to request your assistance in uncovering the true scope of the growing problem of consumer data theft in New York State, and to help provide businesses with guidelines to help them protect their customers' information. Recently, over 40 million customers of a national retail chain had their credit data illegally accessed. While this will likely prove to be one of the largest security breaches in history, news reports suggest that smaller breaches of this nature happen all the time.

I believe that a comprehensive study by the Department of Financial Services would help to reveal specific information about what types of businesses are targeted most frequently, where are businesses most vulnerable and what methods are most common among cyber criminals who illegally access consumers' data. This would shed light on the prevalence of credit card data theft across New York State. Until we have precise data and hard numbers, it will be difficult to create specific guidelines or legislation that can effectively protect consumer data.

In addition to this study, it is my hope that DFS can use the results to assemble a set of guidelines recommending decisive actions for businesses operating in New York State to take in order to help protect their customers' credit card information. Credit card breaches affect companies of all sizes, from large multi-nationals to small mom-and-pop stores. However, while larger corporations are able to hire expensive consultants to assist them in this regard, guidance from DFS would be a great help to smaller companies operating in Western New York and throughout the state.

There are many actions consumers can take to protect their credit card data, from regularly checking their statements to ensuring their computer is geared with virus-protection software. These sorts of suggestions are very helpful for consumers, and I believe that guidance for businesses would provide even greater protection for customers' credit card information. Thank you for your attention to this important matter. I hope to work closely with your office on this issue.

If you have any questions or concerns, please contact me in my district at 716.826.2683.

Sincerely,

Timothy M. Kennedy

New York State Senator, 63rd District