



New York AG Releases Data Security Guide to Help Businesses Protect Consumer Personal Information

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On April 19, 2023, the New York Attorney General (AG) published [“Protecting Consumer’s Personal Information: Tips for Businesses to Keep Data Safe and Secure,”](#) outlining data security best practices based on the AG’s experiences with investigating and prosecuting businesses following data breaches.

The guide offers a range of recommendations that may help companies avoid data breaches (as well as regulatory crosshairs). These do not constitute legal requirements, but rather the AG sharing best practices, similar to last year’s guidance on [preventing credential stuffing attacks](#). The guide organizes the recommendations into the following nine categories:

1. ***Maintain controls for secure authentication*** – Multifactor authentication, especially for remote access is advised, along with use of complex passwords.
2. ***Encrypt sensitive customer information*** – Avoid storing sensitive information in plain text. Make use of controls with encryption and effective key management.
3. ***Ensure service provider use reasonable security measures*** – Factor data security practices into your service provider selection process, with security requirements baked into contracts in most cases.

4. ***Know where you keep consumer information*** – Maintaining an inventory of assets is crucial for safeguarding customer information and running effective cybersecurity testing.

5. ***Guard against data leakage in web applications*** – Web applications should protect most sensitive data in transmission with “masking” measures such as using the last four digits of credit card numbers.

6. ***Protect customer accounts impacted in data security incidents*** – Remediation efforts should include blocking attacker access and resetting passwords, and, when necessary, notification to affected consumers.

7. ***Delete or disable unnecessary accounts*** – Old, unmonitored accounts used by former employees or former vendors may contain frequently used credentials that could be used to access sensitive information.

8. ***Guard against automated attacks*** – Attacks involving repeated attempts to log in to online accounts using usernames and passwords stolen from other online services, known as “credential stuffing,” are a popular form of cyberattack for which data security programs should account.

9. ***Provide clear and accurate notice to consumers*** – Accurately convey information after a cyberattack. Efforts to downplay the scope or severity of a cyberattack could lead to misleading statements that may violate New York law.

The New York AG has stepped up enforcement against companies over alleged failures in cybersecurity, such as last year’s \$4.5 million settlement with EyeMed, and \$1.5 million multi-state settlement against Carnival Cruise Line, both of which are referenced in the guide (see [here](#) for more details on these cases). With around 4,000 data breach notifications received by the AG’s office in 2022, the spotlight on data security controls shows no signs of dimming and continues to become more prescriptive over time.

If you have any questions about New York’s guide, please contact a member of the Akin cybersecurity, privacy and data protection team.

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