

# Looney & Grossman LLP

## *Attorneys at Law*

### DEADLINE EXTENDED FOR BUSINESSES TO IMPLEMENT NEW PERSONAL INFORMATION SECURITY PROCEDURES

**By: Richard J. Grahn, Esq.**

The Massachusetts Office of Consumer Affairs and Business Regulation again has postponed the effective date of its identity theft regulations, and has issued revised regulations for businesses that have access to personal information. The effective date for the revised regulations is now January 1, 2010.

These regulations are a product of the identity theft prevention law signed by Gov. Deval Patrick and are intended to preserve the privacy of consumers by significantly increasing the level of security for personal information held by businesses and other entities.

The detailed regulations are the first of their kind in the country. Under these regulations, personal information- a combination of a name along with a Social Security number, bank account number, or credit card number- must be collected, maintained and used only in accordance with a comprehensive written information security program, required to be developed in accordance with the regulations by all employers of Massachusetts residents or other holders of personal information. The revised regulations mandate that personal information be encrypted when stored on portable devices, or transmitted wirelessly or via public networks. Also amended are the standards businesses must meet to ensure that third party vendors likewise establish and maintain practices and procedures designed to ensure the privacy and security of personal information.

Originally, the regulations were scheduled to take effect on January 1, 2009. However, sharp change in the business climate, along with the business community's increased concern over the scope of

**Deadline Extended**

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101 Arch Street  
Boston, Massachusetts 02110  
Telephone (617) 951-2800  
Facsimile (617) 951-2819  
www.lgllp.com



Richard J. Grahn, Esq.  
rgrahn@lgllp.com

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the requirements and the costs involved in implementation, led to the postponement, initially to May 1, 2009 and now to January 1, 2010.

The regulations may be found at:

<http://www.mass.gov/Eoca/docs/idtheft/201CMR17amended.pdf>.

Looney & Grossman has developed personal information questionnaires designed to address the specific concerns of clients and is available to assist in the timely development of the required written security plans. The recent changes likely are not the final word on the subject, and we will continue to advise as the process unfolds.

*Richard J. Grahn is Managing Partner at Looney & Grossman LLP. His practice involves primarily litigation related to governmental enforcement actions and related claims in both civil and criminal proceedings. He represents companies, other organizations, and individuals in a broad range of investigations, including transportation, accounting, maritime security, insurance, securities and other regulatory compliance matters.*

*If you have any questions about or need legal assistance, you may contact Richard Grahn at 617-951-2800 or [rgrahn@lgllp.com](mailto:rgrahn@lgllp.com)*

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