



Kentucky Automobile Dealers Association
The Voice of Automobile Dealers in Kentucky



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Winter is Coming Part 6: The New PPP - Policies & Procedures for Personnel

DISCLAIMER: The information in this document may change over time with new information and developments. All content and materials are for general information purposes only. It does not provide, and is not intended to constitute, legal advice. Important: As necessary, dealers should consult an attorney familiar with dealership operations, Federal, State and/or local laws at issue.

This article is the sixth in a series of materials to help your dealership with the appropriate planning and implementation of the necessary policies and procedures required by the FTC's amended Safeguards Rule, the vast majority of which require dealer compliance by December 9, 2022.

The amended Safeguards Rule establishes specific parameters for the training of your dealership personnel, including the utilization of qualified information security personnel (this requirement can be met by contracting with outside service providers such as KADA's vetted Preferred Partner, ComplyAuto).

For general personnel, you must provide security awareness training that is guided by the risk identified in your risk assessment. You may use a third-party program for this training as long as it meets the security needs of your particular business.

With respect to the utilization of qualified information security personnel according to the amended Safeguards Rule, the FTC advises that you must use information security staff that has sufficient abilities and expertise to perform the duties set forth in your information security program. You can accomplish this by either hiring or training your own personnel, or by hiring and training third-party vendors to manage your dealership's information security program. Remember, with this or any other third-party vendor, you are responsible for ensuring that their information security procedures are adequate.

It is important that your information security personnel are adequately trained on new and evolving security threats, as you are required to verify that you are taking steps to ensure ongoing training and education. If you are using a third-party to serve as your information security personnel, you should seek assurances that their employees are regularly trained in up-to-date security practices, and perhaps include such a provision in your contract. If you are

using in-house personnel to perform information security work, you can offer training or make continuing education a requirement of their employment.

While the amended Safeguards Rule makes this issue perhaps unnecessarily complicated, these requirements boil down to ensuring that all of your staff has some level of information security training, and that your personnel or vendors working primarily in information security remain up to date with their training.

Once again, as a vetted KADA Preferred Partner, we recommend the resources and services that ComplyAuto offers. You can find their contact information below.

For further information, please contact:

Sarah Bishop: (502) 875-6245; sarah.bishop@skofirm.com

Ron Smith: (317) 822-6787; ron.smith@skofirm.com

ComplyAuto contact:

Sherryl Nens: (510) 676-8579; sherryl@complyauto.com

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