

# business trends

## How New Legislation Can Affect You

(NAPSA)—New laws and regulations that could have an impact on your business are going to go into effect later this year. It's important for you to stay ahead of the changes so you can best serve your customers.

The deadline for small and mid-sized businesses, with less than \$75 million in realized capital, to comply with Section 404 of Sarbanes-Oxley is by each company's first fiscal year ending on or after July 15, 2005. Section 404 calls for an annual internal control report as a safeguard against accounting irregularities. The requirements include establishing that a company has internal policies and procedures to guard against fraud and hiring an outside auditor to verify those findings.

Those safeguards could make publicly traded companies stronger, but executives and accountants are unsure that the end justifies the means—and the work that comes with it.

Adoption of the Health Insurance Portability and Accountability Act Security Rule (HIPAA), mandated for spring of 2005, poses many challenges to health care organizations and their IT departments. Standard approaches and point solutions cannot provide the level of protection, monitoring and reporting necessary to demonstrate compliance. Health care organizations need to explore new technologies and deploy them, rather than relying on familiar but insufficient approaches. The rule specifies information security requirements for all individually identifiable information about a patient that is created, received, processed or stored by a health



**Make sure you don't get caught unawares by legal and regulatory changes.**

plan, clearinghouse or health care provider. HP can help its health care customers by providing service, support and guidance as to which software solutions can help small-medium healthcare businesses encrypt and protect their patient's information, thus complying with HIPAA.

The Financial Modernization Act of 1999, also known as the Gramm-Leach-Bliley Act, or GLB Act, includes provisions to protect consumers' personal financial information held by financial institutions—which since May 2003 has included auto dealers, accountants, travel agents and certain other businesses. With potential million dollar fines looming in the future, small and mid-sized businesses are looking to trusted advisors, such as HP, for guidance in selecting technology solutions that will help financial institutions protect their customer's information.

Learning about these and other laws could save you time and trouble. Talk to your company's accountants or attorneys for more information on what you need to do to be in compliance.