

---

---

# A BILL FOR AN ACT

RELATING TO IDENTITY THEFT.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. In 2005, the Hawaii anti-phishing task force  
2 was established in the department of the attorney general to  
3 develop state policy on how best to prevent further occurrences  
4 of phishing and other forms of electronic commerce-based crimes  
5 in the State. The task force focused on:

6           (1) Examining state agencies charged with the  
7           responsibility of developing policies, procedures and  
8           operations to prevent, monitor, and enforce electronic  
9           commerce-based criminal activities and sanctions;

10          (2) Deriving best practice models from the review of other  
11          jurisdictions' activities, policies, and laws related  
12          to the prevention of electronic commerce-based crimes;

13          (3) Exploring other options available to the task force to  
14          deter electronic commerce-based crimes from occurring  
15          in the State; and

16          (4) Establishing findings and recommendations on  
17          electronic commerce-based crime prevention.



1 The task force submitted to the legislature findings and  
2 recommendations on deterring electronic commerce-based crime.

3 The purpose of this bill is to implement the  
4 recommendations of the task force on identity theft.

5 PART I

6 SECTION 2. Act 65, Session Laws of Hawaii 2005, is amended  
7 by amending section 2 to read as follows:

8 "SECTION 2. (a) There is established [~~within the~~  
9 ~~department of the attorney general a Hawaii anti-phishing]~~ an  
10 identity theft task force to examine options to prevent  
11 electronic commerce-based crimes in the State[~~,-~~] and to  
12 safeguard and protect from identity theft all personal  
13 identifying information in public documents across the gamut of  
14 State and county agencies.

15 (b) The [~~Hawaii anti-phishing]~~ identity theft task force  
16 shall include members as follows:

- 17 (1) The attorney general or the attorney general's  
18 designee;
- 19 (2) The director of the office of consumer protection;
- 20 (3) The United States Attorney for the District of Hawaii  
21 or the United States Attorney's designee;



- 1 (4) Two members of the Hawaii state senate appointed by  
2 the president of the senate;
- 3 (5) Two members of the Hawaii state house of  
4 representatives appointed by the speaker of the house  
5 of representatives;
- 6 (6) Two members representing the financial services  
7 industry, one appointed by the president of the senate  
8 and one appointed by the speaker of the house of  
9 representatives;
- 10 (7) A member of the Honolulu police department's criminal  
11 investigation division; [~~and~~]
- 12 (8) A member of the Honolulu field office's United States  
13 Secret Service electronic crimes unit[-];
- 14 (9) The chief justice of the supreme court or the chief  
15 justice's designee;
- 16 (10) A member representing all of the county police  
17 departments appointed by the police chiefs;
- 18 (11) A member from the Hawaii Prosecuting Attorneys'  
19 Association;
- 20 (12) A member representing the United States Postal  
21 Service;
- 22 (13) A member representing the University of Hawaii;



- 1        (14) A member representing the department of education;
- 2        (15) A member representing all of the counties appointed by
- 3                the Hawaii State Association of Counties;
- 4        (16) A member representing the Consumer Data Industry
- 5                Association;
- 6        (17) Two members representing the retail and small business
- 7                community, one appointed by the president of the
- 8                senate and one appointed by the speaker of the house
- 9                of representatives; and
- 10        (18) A member representing the department of accounting and
- 11                general services.
- 12        (c) The task force shall:
- 13                (1) Examine the policies, procedures, and operations of
- 14                        state agencies charged with the responsibility of
- 15                        developing policies to prevent electronic commerce-
- 16                        based crimes, monitoring electronic commerce-based
- 17                        criminal activity, and enforcing electronic commerce-
- 18                        based criminal sanctions;
- 19                (2) Review other jurisdictions' activities, policies,
- 20                        directives, and laws related to preventing electronic
- 21                        commerce-based crimes and derive best practice models
- 22                        therefrom;

1 (3) Explore any other options available to the task force  
2 to deter electronic commerce-based crimes from  
3 occurring in the State; [~~and~~]

4 (4) Establish findings and develop recommendations on how  
5 the State may best deter electronic commerce-based  
6 crimes from occurring in the State[~~-~~]; and

7 (5) Identify best practices to prevent identity theft by  
8 reviewing other jurisdictions' activities, policies,  
9 and laws related to protecting personal identifying  
10 information collected by the State, and establish a  
11 timetable for the immediate removal of personal  
12 identifying information from public records in Hawaii.

13 (d) The members of the task force shall select the  
14 chairperson of the task force and shall be reimbursed for  
15 expenses, including travel expenses, necessary for the  
16 performance of their duties.

17 [~~(d)~~] (e) The task force shall submit its findings and  
18 recommendations to the legislature, including any proposed  
19 legislation, no later than twenty days prior to the convening of  
20 the [~~2006~~] 2007 regular session and the 2008 regular session.

21 [~~(e)~~] (f) The [~~department of the attorney general~~] office  
22 of the auditor shall provide the research and organizational

1 support services necessary to assist the task force in achieving  
2 its purpose as required under this Act.

3 [~~(f)~~] (g) The task force shall cease to exist on [~~June 30,~~  
4 ~~2006~~] December 31, 2007."

5 SECTION 3. There is appropriated out of the general  
6 revenues of the State of Hawaii the sum of \$200,000, or so much  
7 thereof as may be necessary for fiscal year 2006-2007, for  
8 research and support services, including reimbursement of  
9 expenses for members.

10 The sum appropriated shall be expended by the office of the  
11 auditor for the purposes of this Act.

12 SECTION 4. All appropriations, records, equipment,  
13 machines, files, supplies, contracts, books, papers, documents,  
14 maps, and other personal property heretofore made, used,  
15 acquired, or held by the department of the attorney general  
16 relating to the functions transferred to the office of the  
17 auditor shall be transferred with the functions to which they  
18 relate.

19 PART II

20 SECTION 5. Numerous law enforcement agencies in the State  
21 have adopted and implemented strategies to address and combat  
22 the increasing problem of identity theft. In particular, the



1 department of the attorney general has committed a substantial  
2 amount of its resources and has worked closely with almost every  
3 criminal enforcement authority in the State in an effort to  
4 thwart identity theft. In 2002, the department created the  
5 Hawaii high technology crime unit to increase the number of  
6 investigations and prosecutions of computer-related crimes. The  
7 unit focuses on prosecuting crimes involving internet fraud and  
8 recovering money for victims. The unit also creates and  
9 administers task forces, which are composed of federal, state,  
10 and county law enforcement agencies. The task forces coordinate  
11 investigations, share resources, and provide community outreach.

12 Despite current participation from various departments and  
13 agencies, more effort is needed to effectively combat the  
14 occurrence of identity theft, prosecute criminals, and enforce  
15 penalties. Law enforcement authorities track identity theft  
16 crimes in various ways; the current tracking methods do not  
17 provide accurate statistical information about identity theft in  
18 the State. A uniform system of tracking will provide law  
19 enforcement authorities with a better understanding of the depth  
20 and pervasiveness of the problem in Hawaii.

21 Once adopted and implemented by law enforcement  
22 authorities, the uniform tracking and reporting system will



1 yield better statistics on the range and breadth of identity  
2 theft and electronic crimes. The compiled data is intended to  
3 be used to support a future U.S. Secret Service application for  
4 designation of Hawaii as one of its regional centers for the  
5 Electronic Crimes Task Force.

6 SECTION 6. There is appropriated out of the general  
7 revenues of the State of Hawaii the sum of \$100,000, or so much  
8 thereof as may be necessary for fiscal year 2006-2007, for the  
9 high technology crime unit and the crime prevention and justice  
10 assistance division of the department of the attorney general to  
11 develop a uniform system of tracking identity theft crimes.

12 The sum appropriated shall be expended by the department of  
13 the attorney general for the purposes of this Act.

14 PART III

15 SECTION 7. The law enforcement coalition, including the  
16 department of the attorney general, the United States Attorney,  
17 and the Honolulu police department, as well as the department of  
18 commerce and consumer affairs, educate the public about identity  
19 theft through community outreach programs and initiatives.  
20 Speeches, press releases, guest columns, education and training  
21 programs, and public service announcements are all effective





1 methods of educating consumers and businesses about identity  
2 theft prevention and recourse.

3 SECTION 8. There is appropriated out of the general  
4 revenues of the State of Hawaii the sum of \$170,000, or so much  
5 thereof as may be necessary for fiscal year 2006-2007, for the  
6 department of the attorney general to fund existing community  
7 outreach programs about identity theft and to develop new  
8 programs and methods to increase public awareness of identity  
9 theft.

10 The sum appropriated shall be expended by the department of  
11 the attorney general for the purposes of this Act.

12 PART IV

13 SECTION 9. Law enforcement authorities have seen a recent  
14 trend with crystal methamphetamine users relying more and more  
15 heavily on identity theft crimes to fund their drug habits. A  
16 study on the nexus between crystal methamphetamine use and  
17 identity theft will provide a better idea of the financial  
18 impact of both crimes on the public. The study will also help  
19 train drug informants to identify fraud factories, and assist  
20 law enforcement officials investigate and prosecute identity  
21 theft cases.



1 SECTION 10. There is appropriated out of the general  
2 revenues of the State of Hawaii the sum of \$10,000, or so much  
3 thereof as may be necessary for fiscal year 2006-2007, for the  
4 crime prevention and justice assistance division of the  
5 department of the attorney general to conduct a study on the  
6 nexus between methamphetamine use and identity theft.

7 The sum appropriated shall be expended by the department of  
8 the attorney general for the purposes of this Act.

9 SECTION 11. Statutory material to be repealed is bracketed  
10 and stricken. New statutory material is underscored.

11 SECTION 12. This Act shall take effect upon its approval;  
12 provided that sections 3, 6, 8, and 10 shall take effect on  
13 July 1, 2006.



**Report Title:**

Electronic Commerce; Identity Theft

**Description:**

Changes name of task force, expands its responsibilities, and extends its life until 12/31/07. Adds additional members to the task force. Appropriates funds to the office of the auditor. Appropriates funds for an expanded law enforcement effort to compile a uniform identity theft complaint tracking system, to support an increase in community outreach programs, and to fund a study on the nexus between methamphetamine use and identity theft. (SD1)

