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# A BILL FOR AN ACT

RELATING TO ELECTRONIC COMMERCE AND 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. Numerous law enforcement agencies in the State  
7 have adopted and implemented strategies to address and combat  
8 the increasing problem of identity theft. In particular, the  
9 department of the attorney general has committed a substantial  
10 amount of its resources and has worked closely with almost every  
11 criminal enforcement authority in the State in an effort to  
12 thwart identity theft. In 2002, the department created the  
13 Hawaii high technology crime unit to increase the number of  
14 investigations and prosecutions of computer-related crimes. The  
15 unit focuses on prosecuting crimes involving internet fraud and  
16 recovering money for victims. The unit also creates and  
17 administers task forces which are composed of federal, state,  
18 and county law enforcement agencies. The task forces coordinate  
19 investigations, share resources, and provide community outreach.

20 Despite current participation from various departments and  
21 agencies, more effort is needed to effectively combat the  
22 occurrence of identity theft, prosecute criminals, and enforce



1 penalties. Law enforcement authorities track identity theft  
2 crimes in various ways; the current tracking methods do not  
3 provide accurate statistical information about identity theft in  
4 the State. A uniform system of tracking will provide law  
5 enforcement authorities with a better understanding of the depth  
6 and pervasiveness of the problem in Hawaii.

7       Once adopted and implemented by law enforcement  
8 authorities, the uniform tracking and reporting system will  
9 yield better statistics on the range and breadth of identity  
10 theft and electronic crimes. The compiled data is intended to  
11 be used to support a future U.S. Secret Service application for  
12 designation of Hawaii as one of its regional centers for the  
13 Electronic Crimes Task Force.

14       SECTION 3. There is appropriated out of the general  
15 revenues of the State of Hawaii the sum of \$           , or so  
16 much thereof as may be necessary for fiscal year 2006-2007, for  
17 the high technology crime unit and the crime prevention and  
18 justice assistance division of the department of the attorney  
19 general to develop a uniform system of tracking identity theft  
20 crimes.

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



PART II

SECTION 4. The law enforcement coalition, including the department of the attorney general, the United States Attorney, and the Honolulu police department, as well as the department of commerce and consumer affairs, educate the public about identity theft through community outreach programs and initiatives. Speeches, press releases, guest columns, education and training programs, and public service announcements are all effective methods of educating consumers and businesses about identity theft prevention and recourse.

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

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

PART III

SECTION 6. Law enforcement authorities have seen a recent trend with crystal methamphetamine users relying more and more

1 heavily on identity theft crimes to fund their drug habits. A  
 2 study on the nexus between crystal methamphetamine use and  
 3 identity theft will provide a better idea of the financial  
 4 impact of both crimes on the public. The study will also help  
 5 train drug informants to identify fraud factories, and assist  
 6 law enforcement officials investigate and prosecute identity  
 7 theft cases.

8 SECTION 7. There is appropriated out of the general  
 9 revenues of the State of Hawaii the sum of \$ \_\_\_\_\_, or so  
 10 much thereof as may be necessary for fiscal year 2006-2007, for  
 11 the crime prevention and justice assistance division of the  
 12 department of the attorney general to conduct a study on the  
 13 nexus between methamphetamine use and identity theft.

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

16 SECTION 8. This Act shall take effect on July 1, 2006.  
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INTRODUCED BY:

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SB2157

**Report Title:**

Electronic Commerce; Identity Theft

**Description:**

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.

