

Honolulu, Hawaii

Apr. 14, 2006

RE: S.B. No. 2290  
S.D. 2  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committees on Consumer Protection & Commerce and  
Judiciary, to which was referred S.B. No. 2290, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PROTECTION FROM SECURITY  
BREACHES,"

beg leave to report as follows:

The purpose of this bill is to protect individuals from  
identity theft by requiring businesses and government agencies  
that maintain records containing personal information to notify  
Hawaii residents when the safety of the resident's personal  
information has been compromised by unauthorized disclosure.

The Department of Commerce and Consumer Affairs, Honolulu  
Police Department, Retail Merchants of Hawaii, Hawaii Bankers  
Association, and AARP Hawaii supported this bill. The Hawaii  
Medical Service Association, Consumer Data Industry Association,  
and Hawaii Financial Services Association supported the intent of  
this measure. The American Council of Life Insurers, Property  
Casualty Insurers Association of America, and State Farm opposed  
this bill.

Personal information, such as social security numbers,  
driver's license numbers, and account numbers, is collected by  
many businesses and government agencies. Your Committees find  
that prompt notice of a security breach that endangers the privacy  
of this information is extremely important to allow owners of the



information to monitor their credit reports and take other actions to protect themselves from identity theft.

Your Committees have amended this bill by:

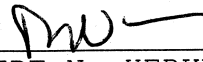
- (1) Changing its effective date to July 1, 2050, to allow further discussion of the issues; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2290, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2290, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committees on Consumer  
Protection & Commerce and  
Judiciary,



SYLVIA LUKE, Chair



ROBERT N. HERKES, Chair





