

JAN 23 2009

A BILL FOR AN ACT

RELATING TO INFORMATION.

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

1 SECTION 1. Chapter 487, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§487- Inadvertent, unauthorized disclosure of personal
5 financial information by public or private entities; duty to
6 notify and pay for credit monitoring reports. (a) Any public
7 or private entity responsible for an inadvertent, unauthorized
8 disclosure of personally identifiable financial information that
9 may result in a crime being committed under section 708-839.6,
10 708-839.7, or 708-839.8 shall be liable for the costs of
11 providing each person whose personally identifiable financial
12 information was disclosed with, at a minimum, a one year
13 subscription to a credit reporting agency's services.

14 (b) No later than three calendar days after a public or
15 private entity's discovery of an inadvertent, unauthorized
16 disclosure of personally identifiable financial information, the
17 public or private entity responsible for the inadvertent,



1 unauthorized disclosure of personally identifiable financial
2 information shall provide the executive director of the office
3 of consumer protection and each person whose personally
4 identifiable financial information was inadvertently disclosed
5 without the person's authorization with notice of the
6 disclosure, the requirements imposed upon the responsible
7 entity, and the credit monitoring and reporting options
8 available to the person pursuant to this section.

9 (c) No later than seven calendar days after a public or
10 private entity's discovery of an inadvertent, unauthorized
11 disclosure of personally identifiable financial information, the
12 public or private entity responsible for the inadvertent,
13 unauthorized disclosure of personally identifiable financial
14 information shall provide each person with a choice of not less
15 than two credit reporting agencies from which the person may
16 select to subscribe. The person, if the person so chooses,
17 shall select a credit reporting agency and the credit monitoring
18 and reporting services that the person requires and shall inform
19 the responsible public or private entity of the person's
20 selection. If a person elects not to subscribe to any credit
21 monitoring and reporting services offered by a credit reporting
22 agency, the person shall notify the responsible public or



1 private entity in writing of the person's choice to not
2 subscribe to any credit monitoring or reporting services. The
3 public or private entity responsible for the inadvertent,
4 unauthorized disclosure of the person's personally identifiable
5 financial information shall keep a record of each person's
6 credit monitoring and reporting services selection, or election
7 to not subscribe to such services, for at least three years
8 after the receipt by the public or private entity of a person's
9 selection or election under this subsection.

10 (d) The responsible public or private entity shall enroll
11 the person into the credit monitoring and reporting plan of the
12 person's choice within seven calendar days of receipt of a
13 person's selection made under subsection (c) and shall pay all
14 costs associated with the one year subscription of the services
15 of the selected credit reporting agency.

16 (e) For the purposes of this section:

17 "Credit reporting agency" means a nationwide consumer
18 credit reporting agency, such as Equifax, Experian, or
19 TranUnion, or any successor entity thereof, that provides
20 consumer credit monitoring and reporting services.

21 "Inadvertent, unauthorized disclosure" or "disclosure"
22 means any compromising of sensitive, personal, or financial



1 information that could result in a person being a victim of
2 identity theft under section 708-839.6, 708-839.7, or 708-839.8.
3 The term does not include any wilful or wanton act by a public
4 or private entity or employee or agent thereof that could or
5 does result in a crime being committed under section 708-839.6,
6 708-839.7, or 708-839.8.

7 "Personally identifiable financial information" means any
8 sensitive, personal, or financial information that, if
9 inappropriately disclosed or obtained, could result in a person
10 being a victim of identity theft under section 708-839.6, 708-
11 839.7, or 708-839.8.

12 "Public or private entity", in the case of a public entity,
13 has the same meaning as "government entity" as that term is
14 defined in section 663-10.5. In the case of a private entity,
15 the term includes a sole proprietorship, corporation, limited
16 liability company, association, partnership, joint stock
17 company, joint venture, mutual fund, trust, joint tenancy, or
18 other similar form of business organization or other legal
19 entity, whether organized for-profit or not-for-profit.

20 (f) The executive director of the office of consumer
21 protection may adopt rules in accordance with chapter 91 to
22 effectuate this section."



1 SECTION 2. New statutory material is underscored.

2 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:

Arnold y Jey

Clara K. Nishihara

Ronald de Baker

Jeff M...

Will Eyo

Yu Chow J.

Carla Fukushima

Mike Gabbard

D. D. D. J.

Norman S. K...

John H.

Jim

Thomas Chen Oakland

Christina
Anna Goh
Judith...



Report Title:

Personally Identifiable Financial Information; Unauthorized Disclosure; Remedy

Description:

Requires public or private entities responsible for the inadvertent, unauthorized disclosure of personally identifiable financial information to pay for access to credit reports for at least 1 year.

