
A BILL FOR AN ACT

RELATING TO INFORMATION.

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

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

4 "§487N- Duty to pay for credit monitoring reports. (a)

5 Any government agency responsible for a security breach that may
6 result in a crime being committed under section 708-839.6, 708-
7 839.7, or 708-839.8 shall be liable for the costs of providing
8 each person whose personal information was disclosed with, at a
9 minimum, a three-year subscription to a nationwide consumer
10 reporting agency's services.

11 (b) No later than seven calendar days after a government
12 agency provides notice of the security breach, the government
13 agency responsible for the security breach shall provide each
14 person with a choice of not less than two nationwide consumer
15 reporting agencies from which the person may select to
16 subscribe. The person, if the person so chooses, shall select a
17 nationwide consumer reporting agency and the credit monitoring
18 and reporting services that the person requires and shall inform



1 the responsible government agency of the person's selection. If
2 a person elects not to subscribe to any credit monitoring and
3 reporting services offered by a nationwide consumer reporting
4 agency, the person shall notify the responsible government
5 agency in writing of the person's choice to not subscribe to any
6 credit monitoring or reporting services. The government agency
7 responsible for the security breach shall keep a record of each
8 person's credit monitoring and reporting services selection, or
9 election to not subscribe to those services, for at least five
10 years after the receipt by the government agency of a person's
11 selection or election under this subsection.

12 (c) The responsible government agency shall enroll the
13 person into the credit monitoring and reporting plan of the
14 person's choice within seven calendar days of receipt of the
15 person's selection made under subsection (b) and shall pay all
16 costs associated with the three-year subscription to the
17 selected nationwide consumer reporting agency's services.

18 (d) The office of consumer protection may adopt rules in
19 accordance with chapter 91 to effectuate this section."

20 SECTION 2. Section 487N-1, Hawaii Revised Statutes, is
21 amended as follows:



1 1. By adding a new definition to be appropriately inserted
2 and to read:

3 "Nationwide consumer reporting agency" means a consumer
4 reporting agency, as defined in 15 United States Code Section
5 1681a(p), that compiles and maintains files on consumers on a
6 nationwide basis."

7 2. By amending the definition of "security breach" to
8 read:

9 "Security breach" [~~means an~~]:

10 (1) Means:

11 (A) An incident of unauthorized access to and
12 acquisition of unencrypted or unredacted records
13 or data containing personal information where
14 illegal use of the personal information has
15 occurred, or is reasonably likely to occur and
16 that creates a risk of harm to a person[-];

17 (B) Any incident of unauthorized access to and
18 acquisition of encrypted records or data
19 containing personal information along with the
20 confidential process or key [~~constitutes a~~
21 security breach. Good]; and



1 (C) Any incident of inadvertent, unauthorized
2 disclosure of unencrypted or unredacted records
3 or data containing personal information;
4 and
5 (2) Does not include good faith acquisition of personal
6 information by an employee or agent of the business
7 for a legitimate purpose [~~is not a security breach~~];
8 provided that the personal information is not used for
9 a purpose other than a lawful purpose of the business
10 and is not subject to further unauthorized
11 disclosure."

12 SECTION 3. This Act does not affect rights and duties that
13 matured, penalties that were incurred, and proceedings that were
14 begun before its effective date.

15 SECTION 4. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 5. This Act shall take effect upon its approval.

Report Title:

Personal Information; Unauthorized Disclosure; Credit Report

Description:

Requires any government agency responsible for a security breach to pay for the costs of providing each person whose personal information was disclosed with, at a minimum, a three-year subscription to a nationwide consumer reporting agency's services. (HB678 HD1)

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