
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. Every nationwide consumer
11 reporting agency procured for purposes of this section, shall be
12 exempt from the provisions of chapter 103D.

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



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

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

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



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

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

5 "Nationwide consumer reporting agency" means a consumer
6 reporting agency, as defined in 15 United States Code Section
7 1681a(p), that compiles and maintains files on consumers on a
8 nationwide basis."

9 2. By amending the definition of "security breach" to
10 read:

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

12 (1) Means:

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

19 (B) Any incident of unauthorized access to and
20 acquisition of encrypted records or data
21 containing personal information along with the



1 confidential process or key [~~constitutes a~~
2 ~~security breach. Good~~]; and
3 (C) Any incident of inadvertent, unauthorized
4 disclosure of unencrypted or unredacted records
5 or data containing personal information;

6 and

7 (2) Does not include good faith acquisition of personal
8 information by an employee or agent of the business
9 for a legitimate purpose [~~is not a security breach~~];
10 provided that the personal information is not used for
11 a purpose other than a lawful purpose of the business
12 and is not subject to further unauthorized
13 disclosure."

14 SECTION 3. Section 489P-3, Hawaii Revised Statutes, is
15 amended by amending subsection (a) to read as follows:

16 "(a) Any consumer who is a resident of this State may
17 place a security freeze on the consumer's credit report. A
18 consumer credit reporting agency shall not charge a victim of
19 identity theft or recipient of a security breach notification,
20 a fee for placing, lifting, or removing a security freeze on a
21 credit report [~~but may charge any other consumer a fee not to~~



1 ~~exceed \$5 for each request by the consumer to place, lift, or~~
2 ~~remove a security freeze from the consumer's credit report].~~

3 A consumer who is a resident of this State and has been the
4 victim of identity theft or recipient of a security breach
5 notification may place a security freeze on the consumer's
6 credit report by making a request in writing by certified mail
7 to a consumer credit reporting agency, at an address designated
8 by the agency to receive such requests, with a valid copy of a
9 police report, investigative report, security breach
10 notification, or complaint the consumer has filed with a law
11 enforcement agency about unlawful use of the consumer's personal
12 information by another person. A consumer who has not been the
13 victim of identity theft may place a security freeze on the
14 consumer's credit report by making a request in writing by
15 certified mail to a consumer credit reporting agency.

16 A security freeze shall prohibit the consumer credit
17 reporting agency from releasing the consumer's credit report or
18 any information from it without the express authorization of the
19 consumer. This subsection shall not prevent a consumer credit
20 reporting agency from advising a third party that a security
21 freeze is in effect with respect to the consumer's credit
22 report."



1 SECTION 4. This Act does not affect rights and duties that
2 matured, penalties that were incurred, and proceedings that were
3 begun before its effective date.

4 SECTION 5. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 6. This Act shall take effect on July 1, 2030.



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. Effective July 1, 2030. (HB678 HD3)

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