

JAN 26 2011

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# A BILL FOR AN ACT

RELATING TO SECURITY BREACHES OF PERSONAL INFORMATION.

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

1       SECTION 1. The legislature finds that a recent University  
2 of Hawaii security breach may have exposed personal information,  
3 including approximately 40,870 social security numbers and two  
4 hundred credit card numbers. The system was immediately  
5 isolated, and an investigation was launched to determine the  
6 scope of the breach and identify individuals who may have been  
7 affected. Letters were mailed to affected individuals on  
8 July 3, 2010, and an email notice sent to affected individuals  
9 at their most recent email address on record. To protect  
10 personal information from further unauthorized access, social  
11 security numbers are no longer used for parking transactions,  
12 and are being purged from all current and historic parking  
13 office databases. Additional security measures that are being  
14 taken include strengthening internal automated network  
15 monitoring practices, and performing extensive evaluations of  
16 systems to identify other potential security risks.

17       The legislature further finds that while the University of  
18 Hawaii acted swiftly and appropriately after discovery of the



1 security breach, additional safeguards are necessary to ensure  
2 that the University of Hawaii and other government agencies have  
3 the resources to avoid a reoccurrence of these security breaches  
4 of personal information.

5 The purpose of this Act is to strengthen the safeguards for  
6 security breaches of personal information held by government  
7 agencies.

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

11 "487N- Personal information security; government  
12 agencies; requirements. (a) Any government agency that  
13 maintains one or more personal information systems shall  
14 include, as part of the agency's guidelines developed pursuant  
15 to section 487N-5(c), mandatory training programs for any agency  
16 personnel to whom disclosures of personal information are made  
17 or to whom access to the personal information may be granted. A  
18 government agency may request assistance from the information  
19 and communication services division for training purposes,  
20 pursuant to section 487N-5(e).

21 (b) In the event of a security breach by a government  
22 agency, the government agency shall be responsible for the costs



1 of credit report or credit monitoring services for individuals  
2 affected by the breach for two years following the discovery of  
3 the security breach."

4 SECTION 3. Section 487N-4, Hawaii Revised Statutes, is  
5 amended to read as follows:

6 "[+]§487N-4[+] **Reporting requirements.** A government  
7 agency shall submit a written report to the legislature and the  
8 information privacy and security council within twenty days  
9 after discovery of a security breach at the government agency  
10 that details information relating to the nature of the breach,  
11 the number of individuals affected by the breach, a copy of the  
12 notice of security breach that was issued, the number of  
13 individuals to whom the notice was sent, whether the notice was  
14 delayed due to law enforcement considerations, and any  
15 procedures that have been implemented to prevent the breach from  
16 reoccurring. In the event that a law enforcement agency informs  
17 the government agency that notification may impede a criminal  
18 investigation or jeopardize national security, the report to the  
19 legislature and the information privacy and security council may  
20 be delayed until twenty days after the law enforcement agency  
21 has determined that notice will no longer impede the  
22 investigation or jeopardize national security."



1 SECTION 4. Section 487N-5, Hawaii Revised Statutes, is  
2 amended as follows:

3 1. By amending subsection (a) to read:

4 "(a) There is established an information privacy and  
5 security council within the department of accounting and general  
6 services for administrative purposes only. The council shall be  
7 responsible for coordinating the implementation of guidelines by  
8 government agencies, as established under subsection (c).

9 Members of the council shall be appointed no later than  
10 September 1, 2008, by the governor without regard to section  
11 26-34 and shall be composed of the following representatives:

12 (1) Executive agencies that maintain extensive personal  
13 information in the conduct of their duties, including  
14 the department of education, the department of health,  
15 the department of human resources development, the  
16 department of human services, and the University of  
17 Hawaii, to be selected by the governor;

18 (2) The legislature, to be selected by the president of  
19 the senate and the speaker of the house of  
20 representatives;

21 (3) The judiciary, to be selected by the administrator of  
22 the courts; and



1 (4) The four counties, to be selected by the mayor of each  
2 county; provided that the mayor of each county shall  
3 determine the extent to which the county may or may  
4 not participate.

5 The comptroller or the state chief information officer,  
6 once appointed, shall serve as chair of the council."

7 2. By amending subsection (e) to read:

8 "(e) The comptroller may establish support positions for  
9 the information and communication services division, including  
10 but not limited to, legal support, information technology, human  
11 resources and personnel, records management, training, and  
12 administrative support."

13 SECTION 5. There is appropriated out of the general  
14 revenues of the State of Hawaii the sum of \$ or so  
15 much thereof as may be necessary for fiscal year 2011-2012 and  
16 the same sum or so much thereof as may be necessary for fiscal  
17 year 2012-2013 for positions and funding in support of the  
18 information privacy and security council and enhanced data  
19 security requirements.

20 The sums appropriated shall be expended by the department  
21 of accounting and general services for the purposes of this Act.



1 SECTION 6. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 7. This Act shall take effect on July 1, 2011.  
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INTRODUCED BY: Carol Fukunaga

Jim

Michelle Kuboni

Suzanne Chun Caliland

[Signature]

Clarence K. Nishikawa

[Signature]

Ronald H. Bell



**Report Title:**

Information Privacy and Security Council; Appropriation

**Description:**

Requires government agencies to develop mandatory training programs for agency personnel to whom disclosures of personal information are made or to whom access to the personal information may be granted; in the event of a government security breach, requires the government agency to be responsible for the cost of credit report or credit monitoring services any individual affected by the breach for two years following the discovery of the security breach; requires reports of security breaches to be submitted to the information privacy and security council; requires the council to be responsible for coordination of the implementation of guidelines by government agencies; makes the comptroller or state chief information office chair of the council; authorizes the information and communication services division to provide training; appropriates funds for the council.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

