

STAND. COM. REP. NO.

871

Honolulu, Hawaii

March 8, 2011

RE: H.B. No. 678
H.D. 3

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 678, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO INFORMATION,"

begs leave to report as follows:

The purpose of this bill is to assist individuals who may become victims of identity theft and other related crimes by:

- (1) Requiring any government agency responsible for a security breach to pay the costs of providing each person whose personal information was disclosed with, at a minimum, a three-year subscription to a nationwide reporting agency's services;
- (2) Extending consumer protections to those who have received notification of a security breach; and
- (3) Exempting national credit reporting services procured as a result of these security breaches from state procurement laws so that commercial credit monitoring services can be provided in a timely manner.

HB678 HD3 HSCR FIN HMS 2011-2742



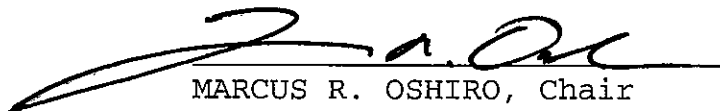
The Department of Human Resources of the City and County of Honolulu, Consumer Data Industry Association, Hawaii Bankers Association, and Reed Elsevier Inc., testified in opposition to this bill. The Department of Commerce and Consumer Affairs, Department of Accounting and General Services, and American Council of Life Insurers provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 678, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 678, H.D. 3.

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



