

January 28, 2011

Hand Delivery

Honorable Representative Angus L. K. McKelvey, Chair
Committee on Economic Revitalization & Business
State House of Representatives
Hawaii State Capitol, Conference Room 427
415 South Beretania Street
Honolulu, Hawaii 96813

Honorable Representative Issac W. Choy, Vice Chair
Committee on Economic Revitalization & Business
State House of Representatives
Hawaii State Capitol, Conference Room 323
415 South Beretania Street
Honolulu, Hawaii 96813

Re: H. B. 678, Relating to Information
My reference: File No. 0843234

Gentlemen:

As you know, I am the retained counsel for the American Council of Life Insurers (“ACLI”) in the State of Hawaii.

ACLI takes any misstatements in its testimony before any state’s legislature (whether innocent or not) very seriously. I am, therefore, writing you for the record to correct a misstatement and clarify a statement which appears in my written testimony which I submitted to the Committee at its hearing yesterday, January 27, 2011, of HB 678.

In the very last paragraph of the first page of my testimony, I state: “The bill’s proposed definition as to what constitutes a “security breach” may be the most expansive in the country”. I am informed by ACLI that that statement is incorrect. Unfortunately, there are other jurisdictions in the country (roughly 10 states) which like HB 678 define “security breach” to include unauthorized access, acquisition or disclosure of personal information regardless of whether the consumer has been harmed or not.

Hon. Representative Angus L. K. McKelvey,
Hon. Representative Issac W. Choy
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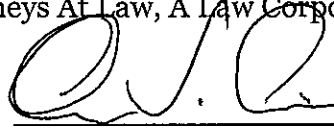
Further, I wish to clarify the statement which appears in the very last paragraph of the second page of my testimony in which I state: "ACLI is informed that one year of credit monitoring is the current industry standard". To say that there is a one year industry standard is not altogether accurate. A more accurate statement is that in those states in which a business is liable for the cost of credit monitoring and credit reporting the time period a business is required to pay for such services is generally one year, not three years.

Thank you for your consideration of this mater.

Sincerely yours,

CHAR HAMILTON
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cc: Joann Waiters, Esq.