

# SB 796

**Measure Title:** RELATING TO INFORMATION.

**Report Title:** Personal Information; Unauthorized Disclosure; Remedy

**Description:** Requires a business or government agency responsible for the inadvertent, unauthorized disclosure of personal information to pay for the person's access to credit reports for at least three years.

**Companion:**

**Package:** None

**Current Referral:** EDT/CPN/JDL, WAM

# GRANDE LAW OFFICES

1164 BISHOP STREET  
SUITE 124-24  
HONOLULU, HAWAII 96813

THOMAS R. GRANDE  
tgrande@GrandeLawOffices.com

TELEPHONE: (808) 521-7500  
FAX: (888) 722-5575

Senator Carol Fukunaga, Chair  
Committee on Economic Development & Technology

Senator Roslyn H. Baker, Chair  
Committee on Commerce & Consumer Protection

Senator Clayton Hee, Chair  
Committee on Judiciary and Labor

## **Testimony in Support of SB 796 RELATING TO INFORMATION**

**Date: Tuesday, February 8, 2011**

**Time: 9:00 a.m.**

**Place: Conference Room 229**

Chairs Fukunaga, Baker, and Hee and Members of the Committees:

I am Tom Grande, co-counsel for the UH data breach victims. My co-counsel, Bruce Sherman, and I support the intent of this bill.

However, we understand that this bill imposes financial and staffing requirements in a time of fiscal austerity.

We suggest instead that the Committees consider passage of SB 728 with our suggested amendment to include the state in the bill in light of the current financial limitations of our state.

If the Committees intend to pass this measure, however, we would suggest that the definition of "security breach" contained in SB 728 be inserted into this measure.

Thank you very much.



**Property Casualty Insurers  
Association of America**

Shaping the Future of American Insurance

1415 L Street, Suite 670, Sacramento, CA 95814-3972

To: The Honorable Carol Fukunaga, Chair  
Senate Economic Development & Technology Committee

The Honorable Rosalyn Baker, Chair  
Senate Commerce & Consumer Protection Committee

The Honorable Clayton Hee, Chair  
Senate Judiciary & Labor Committee

From: Samuel Sorich, Vice President

Re: **SB 796 – Relating to Information**  
**PCI Position: OPPOSE**

Date: Tuesday, February 8, 2011  
9:00 a.m., Conference Room 309

Aloha Chair Fukunaga, Chair Baker, Chair Hee and Members of the Committees:

The Property Casualty Insurers Association of American (PCI) is opposed to SB 796 because the bill's requirements for credit reporting services are excessive and impractical.

SB 796 would require a business that is the subject of a security breach to offer three-year subscriptions to credit monitoring and reporting services to every person whose information was disclosed. There is no justification to offer these services to every person. Before imposing the significant subscription costs on a business, there must be some evidence that a person's personal information is likely to be misused. Moreover, the three-year time period for the subscription is excessive. When there is proof that monitoring and reporting services are justified, a one-year subscription is generally sufficient.

SB 796 would require a business to enroll a person into a credit monitoring and reporting plan. Credit reporting agencies typically do not allow a person to enroll another individual, other than a family member, in monitoring and reporting plan.

PCI respectfully requests that the Committees vote to hold SB 796 for the remainder of the session.