

SB 2333

RELATING TO PERSONAL IDENTIFICATION INFORMATION.

Prohibits the scanning and retention of personally identifiable information obtained from driver's licenses and state certificates of identification.

NEIL ABERCROMBIE
GOVERNOR



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IN REPLY REFER TO:

January 30, 2012

SB 2333
RELATING TO PERSONAL IDENTIFICATION INFORMATION

SENATE COMMITTEE ON TRANSPORTATION AND INTERNATIONAL AFFAIRS

The Department of Transportation supports SB2333. Driver's licenses and identification cards contain personally identifiable information (PII) that is protected with the utmost care at government agencies, card issuing stations and card production locations. This bill takes the protection of this PII a step further by requiring card holders to give their express consent prior to a third party scanning and retaining PII from a holder's card.

Thank you for the opportunity to provide testimony.



DEPARTMENT OF CUSTOMER SERVICES
CITY & COUNTY OF HONOLULU
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January 27, 2012

The Honorable J. Kalani English, Chair
and Committee Members
Committee on Transportation and
International Affairs
The Senate
State of Hawaii
State Capitol, Room 205
Honolulu, Hawaii 96813

Dear Chair English and Committee Members:

Subject: S.B. No. 2333, Relating to Personal Identification Information

The City and County of Honolulu is in favor of S.B. No. 2333 which will prohibit the scanning and retention of personally identifiable information obtained from driver's licenses and state certificates of identification.

With the exception of law enforcement officers scanning the driver license or certificate of identification for official purposes, the express consent of the licensee should be obtained before anyone should be allowed to scan and retain personally identifiable information contained on the driver license or state certificate of identification.

We recommend that the bill be amended to allow for the exception of law enforcement officers scanning the driver license or state certificate of identification for official purposes.

The City and County of Honolulu recommends your favorable action on S.B. No. 2333, as amended.

Sincerely,

A handwritten signature in black ink, appearing to read "Dennis A. Kamimura".

Dennis A. Kamimura
Licensing Administrator



Committee: Committee on Transportation and International Affairs
Hearing Date/Time: Monday, January 30, 2012, 1:15 p.m.
Place: Room 224
Re: Testimony of the ACLU of Hawaii offering comments on S.B. 2333,
Relating to Personal Identification Information

Dear Chair English and Members of the Committee on Transportation and International Affairs:

While the ACLU of Hawaii supports the intent of S.B. 2333, it may not go far enough to ensure Hawaii residents' privacy. Because it invites abuse, please consider amending the bill to delete the provision that would allow the scanning and retention of personal information contained in a state identification card or driver's license upon the expressed consent of the card holder. This committee may also wish to consider amending the bill to correspond to the requirements of S.B. 2419, which specifies the limited purposes for which a private business would be allowed to scan and retain personal information contained in a state identification card or driver's license.

Private businesses have adopted a practice of scanning the bar codes on customer driver's licenses for all manner of purchases. Bar code scanning may be required by company policy for purchases of alcohol and other age-related transactions, including Nicorette gum, mature video games, and cold medicines.

This bar code scanning practice raises serious privacy concerns: Hawaii driver's licenses contain bar codes with significant personal information, including name, address, date of birth, hair color, eye color, height, weight, gender, license expiration date, organ donor status, driver's license number, fingerprint, medical indicators and driver classification code.

- By scanning this information for each customer, private businesses are able to keep and use this data for any purpose. There are no regulations on what they may do with this information.
- Other states, including California, Texas and Nebraska have enacted laws to strictly limit the retention and use of driver's license information by businesses and to protect driver's license privacy.

As more personal information is amassed in more databases, the likelihood increases that the information will be misused or stolen, leading to risks of identity theft. Individuals can't protect

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Sen. English, Chair, TIA Committee
and Members Thereof
January 30, 2012
Page 2 of 2

the accuracy or distribution of their personal information when it is held by others. Driver's license data should only be retained by business entities where otherwise required by law. Transmission of driver's license data to third parties should be limited to situations where there is a clear need.

In Hawaii, we need a law that prohibits businesses and other private entities from swiping driver's licenses or identification cards to collect personal information which is then used for marketing purposes. While S.B. 2333 will take steps to do that, please consider the requirements of S.B. 2419, which will go further to protect our privacy by reducing this surreptitious way of copying, storing and using our personal information.

The mission of the ACLU of Hawaii is to protect the fundamental freedoms enshrined in the U.S. and State Constitutions. The ACLU of Hawaii fulfills this through legislative, litigation, and public education programs statewide. The ACLU of Hawaii is a non-partisan and private non-profit organization that provides its services at no cost to the public and does not accept government funds. The ACLU of Hawaii has been serving Hawaii for over 40 years.

Sincerely,

Laurie A. Temple
Staff Attorney

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TO: Senator J. Kalani English
Chair, Committee on Transportation and International Affairs

Via Email: TIAtestimony@capitol.hawaii.gov

FROM: Gary M. Slovin

DATE: January 29, 2012

RE: S.B. 2333 – Relating to Personal Identification Information
Hearing: Monday, January 30, 2012 at 1:15 p.m.
Room 224

Dear Chair English and Members of the Committee on Transportation and International Affairs:

I am Gary Slovin submitting testimony on behalf of the Consumer Data Industry Association (CDIA). Founded in 1906, CDIA is the international trade association that represents more than 400 data companies. CDIA members represent the nation's leading institutions in credit reporting, mortgage reporting, fraud prevention, risk management, employment reporting, tenant screening and collection services.

CDIA submits comments regarding S.B. 2333, which prohibits the scanning and retention of personally identifiable information obtained from driver's licenses and state certificates of identification.

We understand that this bill is intended to address the potential illegitimate use of information contained in driver's licenses and state identification cards. As drafted however, this bill creates concerns for our members who may scan a driver's license to verify the identity of the check writer and to help prevent fraud. Under current law, merchants and other businesses are permitted to scan driver licenses for this purpose.

January 29, 2012
Page 2

We believe that it is important to continue to allow the obtaining of license information through scanning technology. Scanning a license decreases manual errors, which can be problematic in the check verification process. Manual entry of licenses also backs up lines at the point of sale, which frustrates both consumers and clerks and makes purchase processes less efficient. Prohibiting scanning could also increase fraud, because, while it is easy to create a fake ID with numbers on a card, it is far more difficult to create a fake ID with numbers embedded in a magnetic stripe.

We respectfully request that the foregoing concerns be considered, and would welcome the opportunity to work with the Committee on additional language that would protect consumer privacy, while still allowing businesses to authenticate checks and prevent fraud.

Thank you very much for the opportunity to submit testimony.