

LATE TESTIMONY



Testimony of Michael Bagley
Director of Public Policy for Verizon
Before the
Committee on Judiciary
On S.B. 2419 SD2 HD 2
March 27, 2012

The Honorable Gilbert S.C. Keith-Agaran
Chair, Committee on Judiciary
Hawai'i House of Representatives

Re: S.B. 2419 -- Relating to Personal Information -- Testimony to AMEND SD2 HD2

Chairman Keith-Agaran and Members of the Committee:

On behalf of Verizon, I appreciate the opportunity to submit testimony with regard to our concerns with S.B. 2419 SD2 HD2., legislation that would prohibit the scanning of driver's licenses in most business transactions. Verizon strongly supports the goals of Senate Bill 2419 to protect customer personal information. Although bill language is much improved with the most recent HD 2 amendments, Verizon seeks additional amendments that would still allow businesses that use customer information obtained from scanning an individual's driver's license to *"establish a contract and thereafter maintain an ongoing business relationship"* with them.

Verizon is concerned that S.B 2419 SD2 HD2 as currently drafted, will have unintended consequences that are adverse to our business operations. There are a number of legitimate reasons for businesses to "scan" customer driver's licenses and securely maintain such information. Being able to scan a driver's license is more efficient and accurate than manual entry, resulting in a better experience for the customer and helps to protect our customers against fraud.

Verizon is proud of the service we provide to our customers in Hawaii. Our company has invested nearly \$300 million in the network in this State since 2000, and Verizon has over 300,000 customers across the state. Our main concern is to be able to maintain our existing business operations to protect our customer's personal information but also to continue delivery of our benchmark customer service operations that allow us to demonstrate Verizon's continued loyalty and appreciation to customers who have established service with us over the years.

Verizon worked with other stakeholders from the broader business community to seek acceptable language and to "Support" HD1 amendments provided by the State Department of Consumer Protection. Verizon however requests the following amendment to *Section 1(a) (4) "To establish a contract and thereafter maintain an ongoing business relationship."*

Additionally, Verizon recommends a technical clarification, to *add the words “except as provided in subsections (a)(3) through (7)” to the end of the sentence of Section 1(c) and will ensure that this language is consistent with the intent of subsection (b).*

We thank Chairman Keith-Agaran and the Committee for the opportunity to present our concerns with regard to S.B. 2419 SD2 HD2. As proposed this legislation would have unintended consequences that interfere with consumer friendly business practices that benefit Verizon customers today, and we urge that this bill be *AMENDED* to allow the scanning and retention of information from a driver’s license *to establish a contract and thereafter maintain an ongoing business relationship*” with our customer for legitimate business operations.

Thank You.