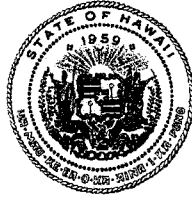


DAVID Y. IGE
GOVERNOR



KEONE KALI
CHIEF INFORMATION
OFFICER

**STATE OF HAWAII'
OFFICE OF INFORMATION MANAGEMENT &
TECHNOLOGY**

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TESTIMONY OF
KEONE KALI, CHIEF INFORMATION OFFICER,
TO THE SENATE COMMITTEES ON GOVERNMENT OPERATIONS AND
ECONOMIC DEVELOPEMNT AND TECHNOLOGY

Thursday, February 12, 2015
1:20 p.m.
Conference Room 414
State Capitol

S.B. No. 998
RELATING TO INFORMATION PRIVACY

Chairs Dela Cruz and Wakai, Vice Chairs Nishihara and Slom, and Committee Members:

I am Keone Kali, State Chief Information Officer (CIO), with these comments on S.B. No. 998 that requires the Information and Privacy and Security Council (IPSC) to establish best practices for the use, storage, and security personal informational entrusted to businesses and government agencies and report findings and proposed legislation to the legislature..

Because S.B. No. 998 impacts a broad cross-section of stakeholders within government and the private sector, as the IPSC Chair, we respectfully request that this measure be deferred until the IPSC can meet as a group to deliberate the implications and develop its response. The next scheduled IPSC meeting is February 18. With quorum and sunshine agenda rules permitting, the IPSC can provide a formal response by the end of next week.

Thank you for the opportunity to testify on this matter.



DAVID Y. IGE
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PRESENTATION OF THE
OFFICE OF CONSUMER PROTECTION

TO THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS
&
THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TECHNOLOGY

THE TWENTY-EIGHTH LEGISLATURE
REGULAR SESSION OF 2015

FEBRUARY 12, 2015
1:20 PM

TESTIMONY ON SENATE BILL NO. 998, RELATING TO INFORMATION PRIVACY.

TO THE HONORABLE DONOVAN M. DELA CRUZ, CHAIR,
AND TO THE HONORABLE GLENN WAKAI, CHAIR,
AND TO THE HONORABLE CLARENCE K. NISHIHARA, VICE CHAIR
AND TO THE HONORABLE SAM SLOM, VICE CHAIR,
AND MEMBERS OF THE COMMITTEES:

The Department of Commerce and Consumer Affairs ("DCCA"), Office of Consumer Protection ("OCP") has concerns regarding Senate Bill No. 998, Relating to Information Privacy, and offers the following comments for the Committees' consideration.

Senate Bill No. 998 would require the Information Privacy and Security Council ("Council"), in collaboration with DCCA, to develop a policy of best practices related to the use, storage, and security of personal information entrusted to businesses and government agencies.

While the establishment of best practices can significantly assist businesses and government in developing privacy policies concerning how they treat personal information, the OCP is concerned that it could lead to the creation of “safe harbors”, which may inadvertently insulate law violators from applicable consumer protection laws. This concern is heightened when the development and control of the guidelines becomes a shared responsibility with entities that are not law enforcement authorities, such as most of the members of the Council. Additionally, creating a “safe harbor” in the context of privacy protection could be perilous, since technology can change on a dime, and what is reasonable privacy protection today, may not be tomorrow.

In view of the foregoing, the OCP believes that its concerns would be diminished if Senate Bill No. 998 made it clear that the development of a policy of best practices by the Council would constitute only suggestive guidelines for businesses and government and would not create a “safe harbor” that would supplant applicable laws governing the enforcement of privacy or consumer protection laws.

Thank you for the opportunity to present testimony concerning Senate Bill No. 998.