



DAVID Y. IGE
GOVERNOR
SHAN S. TSUTSUI
LT. GOVERNOR

STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
335 MERCHANT STREET, ROOM 310
P.O. Box 541
HONOLULU, HAWAII 96809
Phone Number: 586-2850
Fax Number: 586-2856
cca.hawaii.gov

CATHERINE P. AWAKUNI COLÓN
DIRECTOR
JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

TO THE SENATE COMMITTEE ON
COMMERCE, CONSUMER PROTECTION, AND HEALTH

TWENTY-NINTH LEGISLATURE
Regular Session of 2018

Wednesday, January 31, 2018
9:30 am

TESTIMONY ON SENATE BILL NO. 2259, RELATING TO SECURITY FREEZES.

TO THE HONORABLE ROSALYN H. BAKER, CHAIR, AND MEMBERS OF THE
COMMITTEE:

The Department of Commerce and Consumer Affairs (“Department”) appreciates the opportunity to testify on S.B. 2259, Relating to Security Freezes. My name is Stephen Levins, and I am the Executive Director of the Department’s Office of Consumer Protection. The Department appreciates the intent of this bill and offers the following comments.

This bill adds a new section to Hawaii Revised Statutes (“HRS”) chapter 489P that requires Hawaii consumers, who are required to receive a summary of rights under section 609 of the federal Fair Credit Reporting Act, to also receive a notice of their rights under Hawaii law to obtain a security freeze on their credit reports.

Recent events involving the security breach of a database at one of the major credit bureaus had millions of U.S. consumers scrambling for information on how to protect their personal information, such as social security numbers and addresses, from unlawful use by identity thieves. The notice required by this bill notifies Hawaii consumers of their right to obtain a security freeze on their credit files. A security freeze

allows consumers to restrict access to their credit files to make it difficult for identity thieves to open new accounts in the consumers' names. Several states such as Maryland, New Jersey, and Washington already provide their consumers with notice of their right to request a security freeze.

The Department also respectfully submits that the text of the notice may need to be reconciled with potential changes to Hawaii's security freeze statutes under HRS chapter 489P if one of the security freeze bills currently before the Legislature becomes law.

Thank you for the opportunity to testify on S.B. 2259. I would be happy to answer any questions the Committee may have.

SB-2259

Submitted on: 1/28/2018 10:36:34 PM

Testimony for CPH on 1/31/2018 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Rachel L. Kailianu	Ho`omana Pono, LLC	Support	Yes

Comments:

SB-2259

Submitted on: 1/25/2018 10:28:32 PM

Testimony for CPH on 1/31/2018 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jacob Holcomb		Support	No

Comments:

Please protect consumers. Lord knows we already are short on cash as it is.

SB-2259

Submitted on: 1/27/2018 10:50:34 AM

Testimony for CPH on 1/31/2018 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Patrick Karjala		Support	No

Comments:

Please update the text in SB 2259 to reflect language in SB2769 which is being processed at this hearing to remove references to the \$5 fee. Thank you.