

Honolulu, Hawaii  
, 2020

**FEB 27**

RE: H.B. No. 2572  
H.D. 2

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii

Sir:

Your Committees on Judiciary and Consumer Protection &  
Commerce, to which was referred H.B. No. 2572, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PRIVACY,"

beg leave to report as follows:

The purpose of this measure is to:

- (1) Modernize "personal information" for the purposes of security breaches of personal information law;
- (2) Establish new provisions on consumer rights to personal information and data brokers;
- (3) Prohibit the sale of geolocation information and internet browser information without consent;
- (4) Amend provisions relating to the electronic eavesdropping law; and
- (5) Prohibit certain manipulated images of individuals.

Your Committees received testimony in support of this measure from the Office of Enterprise Technology Services and seven individuals. Your Committees received testimony in opposition to this measure from the American Council of Life Insurers; Internet



Association; Association of National Advertisers; Network Advertising Initiative; American Association of Advertising Agencies; Interactive Advertising Bureau; American Advertising Federation; State Privacy and Security Coalition; American Property Casualty Insurance Association; RELX Group; Computing Technology Industry Association; Hawaiian Electric Company, Inc.; Hawaii Bankers Association; Hawaii Financial Services Association; Consumer Data Industry Association; Hawaii Credit Union League; Retail Merchants of Hawaii; and two individuals. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs; Screen Actors Guild-American Federation of Television and Radio Artists Hawaii Local; Hawaii Professional Chapter of the Society of Professional Journalists; Electronic Transactions Association; State Farm Mutual Automobile Insurance Company; Hawaii Insurers Council; Charter Communications, Inc.; Hawaii Medical Service Association; Iron Workers Stabilization Fund; and one individual.

Your Committees find that technology, society, and the ways in which information is used are constantly evolving in the twenty-first century, thus creating new privacy concerns with each passing year. Public use of the Internet and related technologies have significantly expanded, and without adequate regulations, personal privacy has often been compromised. In response, the Legislature adopted House Concurrent Resolution No. 225, S.D. 1 (2019), to establish the Twenty-First Century Privacy Law Task Force, consisting of individuals in the public and private sectors with an interest or expertise in privacy law in the digital era, to examine and make recommendations regarding existing privacy laws and regulations to protect the privacy interests of the people of Hawaii. This measure seeks to implement recommendations of the Twenty-First Century Privacy Law Task Force.

Your Committees further find that Hawaii law and culture has a high bar for privacy when compared to other states, including an explicit right to privacy enshrined in the Hawaii State Constitution, which must be upheld in the digital era.

Your Committees additionally find that the bulk of testimony in opposition to this measure raised concerns regarding part III, relating to data brokers.

Accordingly, your Committees have amended this measure by:



- (1) Deleting part III;
- (2) Amending the definition of "personal information" to clarify that "personal information" means an identifier in combination with one or more specified data elements in which the data element is not encrypted;
- (3) Clarifying that the business associates of any health plan or healthcare provider that is subject to and in compliance with the Health Insurance Portability and Accountability Act of 1996 are also deemed to be in compliance with Hawaii's notice of security breach of personal information law;
- (4) Specifying that the prohibition on the sale of geolocation data does not include the releasing, disclosing, disseminating, making available, transferring, or otherwise communicating orally, in writing, or by electronic or other means, a user's geolocation information for the purpose of responding to an emergency;
- (5) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Judiciary and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2572, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2572, H.D. 2, and be placed on the calendar for Third Reading.



Respectfully submitted on  
behalf of the members of the  
Committees on Judiciary and  
Consumer Protection & Commerce,



For

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ROY M. TAKUMI, Chair



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CHRIS LEE, Chair





