### A BILL FOR AN ACT

RELATING TO INFORMATION PRIVACY.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. The legislature finds that despite the growing
- 2 number of devices that are connected to the internet, there is
- 3 no mandate to protect the users of these devices through
- 4 specific security measures.
- 5 Accordingly, the purpose of this Act is to require a
- 6 manufacturer of an internet connected device to equip the device
- 7 with reasonable security features that are:
- 8 (1) Appropriate to the nature and function of the device
- 9 regarding the information it may collect, contain, or
- 10 transmit; and
- 11 (2) Designed to protect the device and any information
- 12 contained therein from unauthorized access,
- destruction, use, modification, or disclosure, as
- specified.
- 15 SECTION 2. The Hawaii Revised Statutes is amended by
- 16 adding a new chapter to be appropriately designated and to read
- 17 as follows:



1	"CHAPTER											
2	SECURITY OF CONNECTED DEVICES											
3	§ -1 Short title. This chapter may be cited as the											
4	Security of Connected Devices Act.											
5	§ -2 Definitions. As used in this chapter, unless the											
6	context clearly requires otherwise:											
7	"Authentication" means a method of verifying the authority											
8	of a user, process, or device to access resources in an											
9	information system.											
10	"Connected device" means any device, or other physical											
11	object that is capable of connecting to the internet, directly											
12	or indirectly, and that is assigned an internet protocol address											
13	or bluetooth address.											
14	"Manufacturer" means the person who manufactures, or											
15	contracts with another person to manufacture on the person's											
16	behalf, connected devices that are sold or offered for sale in											
17	the State. For purposes of this chapter, a contract with											
18	another person to manufacture on the person's behalf does not											
19	include a contract only to purchase a connected device, or only											
20	purchase and brand a connected device.											

1	"Sec	urity feature" means a feature of a device designed to									
2	provide a security for that device.										
3	"Unauthorized access, destruction, use, modification, or										
4	disclosure" means access, destruction, use, modification, or										
5	disclosure that is not authorized by the consumer.										
6	S	-3 Security features of connected devices. (a) A									
7	manufactu	rer of a connected device shall equip the device with									
8	reasonabl	e security features to include all of the following:									
9	(1)	Appropriate to the nature and function of the device;									
10	(2)	Appropriate to the information it may collect,									
11		contain, or transmit; and									
12	(3)	Designed to protect the device and any information									
13		contained therein from unauthorized access,									
14		destruction, use, modification, or disclosure.									
15	(b)	Subject to all the requirements of subsection									
16	(a)	, if a connected device is equipped with a means for									
17	authentic	ation outside a local area network, it shall be deemed									
18	a reasona	ble security feature under subsection (a), if									
19	either of	the following requirements is met:									
20	(1)	The preprogrammed password is unique to each									
21		manufactured device; or									

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1	(2) The device contains a scentrey reacute that requires a
2	user to generate a new means of authentication before
3	access is granted to the device for the first time.
4	§ -4 Limitations on duties. (a) This chapter shall not
5	be construed to impose any duty:
6	(1) Upon the manufacturer of a connected device related to
7	unaffiliated third-party software or applications that
8	a user chooses to add to a connected device;
9	(2) Upon a provider of an electronic store, gateway,
10	marketplace, or other means of purchasing or
11	downloading software or applications, to review or
12	enforce compliance with this chapter; or
13	(3) Upon the manufacturer of a connected device to prevent
14	a user from having full control over a connected
15	device, including the ability to modify the software

18 (b) This chapter shall not apply to any connected device the functionality of which is subject to security requirements 19 under federal law, regulations, or guidance promulgated by a 20 federal agency pursuant to its regulatory enforcement authority.

or firmware running on the device at the user's

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discretion.

1		(c)	This	chapt	er	shall	not	be	consti	rued	to	prov	ride	a	basis
2	for	a pr	ivate :	right	of	action	a. 5	rhe	attor	ney g	gene	ral	shal	1	have
3	the	excl	usive a	author	ity	to er	nfor	ce t	chis ch	napte	er.				

- 4 (d) The duties and obligations imposed by this chapter are
- 5 cumulative with any other duties or obligations imposed under
- 6 other law, and shall not be construed to relieve any party from
- 7 any duties or obligations imposed under other law.
- $oldsymbol{8}$  (e) This chapter shall not be construed to limit the
- 9 authority of a law enforcement agency to obtain connected device
- 10 information from a manufacturer as authorized by law or pursuant
- 11 to an order of a court of competent jurisdiction.
- 12 (f) A covered entity, provider of health care, business
- 13 associate, health care service plan, contractor, employer, or
- 14 any other person subject to the Health Insurance Portability and
- 15 Accountability Act of 1996, Public Law 104-191, shall not be
- 16 subject to this chapter with respect to any activity regulated
- 17 by it."
- 18 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:

IAN 25 2021

### Report Title:

Cyber Security; Internet Connected Devices; Security Features; Information Privacy

#### Description:

Requires manufacturers of connected devices to equip the devices with reasonable security features regarding information collected, unauthorized access, or the destruction or use of the devices.

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