

## ACT 140

H.B. NO. 3244

A Bill for an Act Relating to Identity Theft.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. In 2005, the Hawaii anti-phishing task force was established in the department of the attorney general to develop state policy on how best to prevent further occurrences of phishing and other forms of electronic commerce-based crimes in the state. The task force focused on:

- (1) Examining state agencies charged with the responsibility of developing policies, procedures, and operations to prevent, monitor, and enforce electronic commerce-based criminal activities and sanctions;
- (2) Deriving best practice models from the review of other jurisdictions' activities, policies, and laws related to the prevention of electronic commerce-based crimes;
- (3) Exploring other options available to the task force to deter electronic commerce-based crimes from occurring in the state; and
- (4) Establishing findings and recommendations on electronic commerce-based crime prevention.

The task force submitted to the legislature findings and recommendations on deterring electronic commerce-based crime.

The purpose of this Act is to implement the recommendations of the task force on identity theft.

## PART I

SECTION 2. Act 65, Session Laws of Hawaii 2005, is amended by amending section 2 to read as follows:

“SECTION 2. (a) There is established [within the department of the attorney general – a Hawaii anti-phishing] an identity theft task force to examine options to prevent electronic commerce-based crimes in the [State-] state and to safeguard and protect from identity theft all personal identifying information in public documents across the gamut of state and county agencies.

(b) The [Hawaii anti-phishing] identity theft task force shall include members as follows:

- (1) The attorney general or the attorney general's designee;
- (2) The director of the office of consumer protection;
- (3) The United States Attorney for the District of Hawaii or the United States Attorney's designee;
- (4) Two members [of the Hawaii state senate] appointed by the president of the senate;
- (5) Two members [of the Hawaii state house of representatives] appointed by the speaker of the house of representatives;
- (6) Two members representing the financial services industry, one appointed by the president of the senate and one appointed by the speaker of the house of representatives;
- (7) A member of the Honolulu police department's criminal investigation division; [and]
- (8) A member of the Honolulu field office's United States Secret Service electronic crimes unit~~[-]~~;
- (9) The administrative director of the judiciary or the administrative director's designee;

- (10) A member representing all of the county police departments, appointed by the police chiefs;
- (11) A member representing the Hawaii Prosecuting Attorneys' Association;
- (12) A member representing the United States Postal Service;
- (13) A member representing the University of Hawaii;
- (14) A member representing the department of education;
- (15) A member representing all of the counties, appointed by the Hawaii State Association of Counties;
- (16) Two members representing consumer and business organizations, one appointed by the president of the senate and one appointed by the speaker of the house of representatives;
- (17) Two members representing the retail and small business community, one appointed by the president of the senate and one appointed by the speaker of the house of representatives; and
- (18) A member representing the department of accounting and general services.

(c) The task force shall:

- (1) Examine the policies, procedures, and operations of state agencies charged with the responsibility of developing policies to prevent electronic commerce-based crimes, monitoring electronic commerce-based criminal activity, and enforcing electronic commerce-based criminal sanctions;
- (2) Review other jurisdictions' activities, policies, directives, and laws related to preventing electronic commerce-based crimes and derive best [practices] practice models therefrom;
- (3) Explore any other options available to the task force to deter electronic commerce-based crimes from occurring in the State; [and]
- (4) Establish findings and develop recommendations on how the State may best deter electronic commerce-based crimes from occurring in the [State.] state;
- (5) Identify the best practices to prevent identity theft by reviewing other jurisdictions' activities, policies, and laws related to protecting personal identifying information collected by government agencies, and establishing a timetable for the immediate removal of personal identifying information from public records in Hawaii, including:
  - (A) The review of current practices associated with use and disclosure for public inspection of social security numbers in any records or documents maintained by state and county agencies;
  - (B) The review of the current volume of these records or documents and likely future increase or decrease in the volume of these records or documents; and
  - (C) The practicability of any proposed mandatory redaction for certain types of records or documents, and the impact that any proposed mandatory redaction may have on human or other resources necessary to implement the redaction; and
- (6) Identify and recommend solutions to issues involving social security number protection, including the sale, lease, trade, rent, or otherwise intentional release of an individual's social security number to a third party.

(d) The members of the task force shall select the chairperson of the task force and shall be reimbursed for expenses, including travel expenses, necessary for the performance of their duties.

[(d)] (e) The task force shall submit its findings and recommendations to the legislature, including any proposed legislation, no later than twenty days prior to the convening of the [2006] 2007 regular session[-] and the 2008 regular session.

~~[(e)]~~ (f) The ~~[department of the attorney general]~~ office of the auditor shall provide the research and organizational support services necessary to assist the task force in achieving its purpose as required under this Act.

~~[(f)]~~ (g) The task force shall cease to exist on ~~[June 30, 2006.]~~ December 31, 2007.”

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$50,000 or so much thereof as may be necessary for fiscal year 2006-2007 for research and support services, including reimbursement of expenses for members.

The sum appropriated shall be expended by the office of the auditor for the purposes of this Act.

SECTION 4. All appropriations, records, equipment, machines, files, supplies, contracts, books, papers, documents, maps, and other personal property heretofore made, used, acquired, or held by the department of the attorney general relating to the functions transferred to the office of the auditor shall be transferred with the functions to which they relate.

## PART II

SECTION 5. Numerous law enforcement agencies in the state have adopted and implemented strategies to address and combat the increasing problem of identity theft. In particular, the department of the attorney general has committed a substantial amount of its resources and has worked closely with almost every criminal enforcement authority in the state in an effort to thwart identity theft. In 2002, the department created the Hawaii high technology crime unit to increase the number of investigations and prosecutions of computer-related crimes. The unit focuses on prosecuting crimes involving Internet fraud and recovering money for victims. The unit also creates and administers task forces, which are composed of federal, state, and county law enforcement agencies. The task forces coordinate investigations, share resources, and provide community outreach.

Despite current participation from various departments and agencies, more effort is needed to effectively combat the occurrence of identity theft, prosecute criminals, and enforce penalties. Law enforcement authorities track identity theft crimes in various ways; the current tracking methods do not provide accurate statistical information about identity theft in the state. A uniform system of tracking will provide law enforcement authorities with a better understanding of the depth and pervasiveness of the problem in Hawaii.

Once adopted and implemented by law enforcement authorities, the uniform tracking and reporting system will yield better statistics on the range and breadth of identity theft and electronic crimes. The compiled data is intended to be used to support a future U.S. Secret Service application for designation of Hawaii as one of its regional centers for the Electronic Crimes Task Force.

SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of \$50,000 or so much thereof as may be necessary for fiscal year 2006-2007 for the high technology crime unit and the crime prevention and justice assistance division of the department of the attorney general to develop a uniform system of tracking identity theft crimes.

The sum appropriated shall be expended by the department of the attorney general for the purposes of this Act.

## **ACT 140**

**SECTION 7.** Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

**SECTION 8.** This Act shall take effect upon its approval; provided that sections 3 and 6 shall take effect on July 1, 2006.

(Approved May 25, 2006.)