

JAN 17 2007

A BILL FOR AN ACT

RELATING TO INFORMATION.

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

1 SECTION 1. Chapter 487, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§487- Inadvertent, unauthorized disclosure of personal
5 financial information by public or private entities; duty to
6 notify and pay for credit monitoring reports. (a) Any public
7 or private entity responsible for the inadvertent, unauthorized
8 disclosure of personal financial information that may result in
9 a crime being committed under section 708-839.6, 708-839.7, or
10 708-839.8 shall be liable for the costs of providing each person
11 whose personal financial information was disclosed with, at a
12 minimum, a one year subscription to a credit reporting agency's
13 services.

14 (b) Within three calendar days of a public or private
15 entity's discovery of the inadvertent, unauthorized disclosure
16 of personal financial information, the public or private entity
17 responsible for the inadvertent, unauthorized disclosure of
18 personal financial information shall provide the executive



1 director of the office of consumer protection and each person
2 whose personal financial information was inadvertently disclosed
3 without the person's authorization with notice of the
4 disclosure, the requirements imposed upon the responsible
5 entity, and the credit monitoring and reporting options that
6 will be available to the person pursuant to this section.

7 (c) Within seven calendar days of a public or private
8 entity's discovery of the inadvertent, unauthorized disclosure
9 of personal financial information, the public or private entity
10 responsible for the inadvertent, unauthorized disclosure of
11 personal financial information shall provide each person with a
12 choice of not less than two credit reporting agencies from which
13 the person may select. The person, if the person so chooses,
14 shall select a credit reporting agency and the credit monitoring
15 and reporting services the person requires and shall inform the
16 responsible public or private entity of the person's selection.
17 If a person elects not to subscribe to any credit monitoring and
18 reporting services offered by a credit reporting agency, the
19 person shall notify the responsible public or private entity in
20 writing of the person's choice to not subscribe to any credit
21 monitoring or reporting services. The public or private entity
22 responsible for the inadvertent, unauthorized disclosure of the



1 person's personal financial information shall keep a record of
2 each person's credit monitoring and reporting services
3 selection, or election to not subscribe to such services, for at
4 least three years after the receipt by the public or private
5 entity of a person's selection or election under this
6 subsection.

7 (d) The responsible public or private entity shall enroll
8 the person into the credit monitoring and reporting plan of the
9 person's choice within seven calendar days of receipt of a
10 person's selection made under subsection (c) and shall pay all
11 costs associated with the one year subscription of the services
12 of the selected credit reporting agency.

13 (e) For the purposes of this section:

14 "Credit reporting agency" means a nationwide consumer
15 reporting agency, such as Equifax, Experian, or TranUnion, or
16 any successor entity thereof, that provides consumer credit
17 monitoring and reporting services.

18 "Inadvertent, unauthorized disclosure" or "disclosure"
19 means any compromising of sensitive, personal, or financial
20 information that could result in a person being a victim of
21 identity theft under section 708-839.6, 708-839.7, or 708-839.8.
22 The term does not include any wilful or wanton act by a public



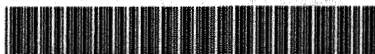
1 or private entity or employee or agent thereof that could or
2 does result in a crime being committed under section 708-839.6,
3 708-839.7, or 708-839.8.

4 "Personal financial information" means any sensitive,
5 personal, or financial information that, if inappropriately
6 disclosed or obtained, could result in a person being a victim
7 of identity theft under section 708-839.6, 708-839.7, or
8 708-839.8.

9 "Public or private entity", in the case of a public entity,
10 has the same meaning as "government entity" as that term is
11 defined in section 663-10.5. In the case of a private entity,
12 the term includes a sole proprietorship, corporation, limited
13 liability company, association, partnership, joint stock
14 company, joint venture, mutual fund, trust, joint tenancy, or
15 other similar form of business organization or other legal
16 entity, whether organized for-profit or not-for-profit.

17 (f) The executive director of the office of consumer
18 protection may adopt rules in accordance with chapter 91 to
19 effectuate this section."

20 SECTION 2. New statutory material is underscored.



1 SECTION 3. This Act shall take effect upon its approval.

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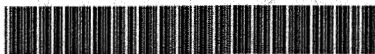
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Report Title:

Personal Financial Information; Unauthorized Disclosure; Remedy

Description:

Requires public or private entities responsible for the inadvertent, unauthorized disclosure of personal financial information to pay for access to credit reports for at least 1 year.

