

Honolulu, Hawaii

Feb 4, 2008

RE: H.B. No. 2712
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which
was referred H.B. No. 2712 entitled:

"A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE CITY AND
COUNTY OF HONOLULU,"

begs leave to report as follows:

The purpose of this bill is to protect personal information
against identity theft, by appropriating funds for the City and
County of Honolulu to develop a data encryption system.

The Department of Information Technology of the City and
County of Honolulu testified in support of this bill.

In 2006, several bills were enacted to increase consumer
protections against identity theft by requiring businesses and
government agencies to:

- (1) Notify consumers if their personal information has been
compromised (Act 135, Session Laws of Hawaii 2006);
- (2) Take reasonable measures to protect personal information
when disposing of records (Act 136, Session Laws of
Hawaii 2006); and
- (3) Protect social security numbers (Act 137, Session Laws
of Hawaii 2006).



This bill appropriates funds for the City and County of Honolulu to develop a data encryption system in furtherance of the protections for personal information required by the 2006 Acts. Such a system will help protect the personal information handled by the City and County of Honolulu, which maintains such data for its driver's licensing, motor vehicle registration, voter registration, and juvenile justice information systems.

Your Committee has amended this bill by:

- (1) Changing the appropriation to a nominal sum to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2712, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2712, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ROBERT N. HERKES, Chair



