



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Written Testimony Presented Before the
House Committee on Consumer Protection & Commerce and
House Committee on Judiciary
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by

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SB 2803, SD 1 – RELATING TO PERSONAL INFORMATION

Chairs Herkes and Waters, Vice Chairs McKelvey and Oshiro and Members of the Committees:

The University applauds the Legislature's concern in protecting Hawai'i's citizenry. While we oppose several provisions of the proposed legislation in its current form for the reasons cited below, we appreciate the thoughtful consideration of our concerns as this Bill progresses. We are particularly appreciative that the implementation of SB2803, SD1 has been purposely delayed until such time as the remaining issues can be thoughtfully addressed.

In the spirit of supporting improved protection of personal information held in the public sector, the University offers the following specific comments:

- 1) The University strongly opposes the creation of the Annual Report on Systems with Personal Information (proposed as §487N-C). The very creation of such a report creates significant new risks for Hawaii's citizens by establishing a convenient "one-stop shop" for interested hackers and criminals who are targeting personal information in Hawai'i. Any perceived value in creating such a report is more than outweighed by the new risks created by a new public record that tells criminals exactly where to find personal information and what is in each location.

The University would suggest that the current provisions be replaced with more general language that simply specifies that each agency, in support of their internal programs of protection of personal information shall be responsible to maintain an inventory of all information systems that include personal information. The legislation must ensure that any such inventories remain confidential and fully protected from disclosure notwithstanding any other rules or statutes.

- 2) The University strongly opposes the provisions in Part VII that would require the elimination of all governmental uses of Social Security Numbers other than where required by law. While we no longer use the Social Security Number as a primary identifier in any of our information systems, the fact remains that the Social Security Number was the identifier in the past and is still an important element in establishing identity. The University would have no way of establishing the identities of hundreds of thousands of our past students without the use of the Social Security Number, which was formerly used as the Student ID number.

The Social Security Administration notes that:

"The Privacy Act regulates the use of Social Security numbers by government agencies. When a federal, state, or local government agency asks an individual to disclose his or her Social Security number, the Privacy Act requires the agency to inform the person of the following: the statutory or other authority for requesting the information; whether disclosure is mandatory or voluntary; what uses will be made of the information; and the consequences, if any, of failure to provide the information."

The University urges that the legislature not frustrate our ability to serve our customers throughout the state with overly restrictive legislation that goes so far beyond federal requirements and Social Security Administration guidelines.

- 3) The University notes that a number of new compliance mandates are established in the current draft without specific funding. While the bill invites agencies to prepare budget requests for addressing certain requirements, we hope that the final bill will link compliance with the appropriation and release of the funding the Legislature recognizes will be necessary.

Finally, the University notes that while government agencies, including the University, must protect the personal information with which they are entrusted, a singular focus on governmental protection of personal data is a small part of protecting the public against identity theft. National data tells us that:

- More personal data is lost by the private sector than the public sector;
- Most identity theft is not the result of data breaches; and
- Most losses of personal data do not result in identity theft.

True protection against identity theft will only occur with changes in the credit industry, which is where the crime actually occurs. This is of course a much more difficult target for reform.

Nonetheless, the University takes the protection of the personal information with which we are entrusted very seriously, and looks forward to working with the Legislature to craft legislation that will reduce risks for Hawai'i's citizenry.