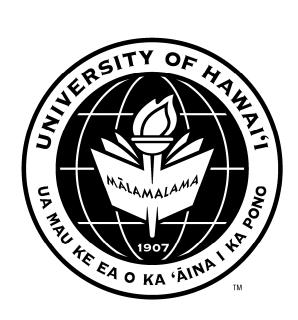
UNIVERSITY OF HAWAI'I SYSTEM LEGISLATIVE TESTIMONY



HB 2749 RELATING TO PERSONAL INFORMATION

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

January 31, 2008 at 3:00pm

by

David Lassner Vice President for Information Technology and Chief Information Officer University of Hawaii System

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

The University applauds the Legislature's interest in protecting Hawai'i's citizenry. Nonetheless, the University is disappointed that the focus of this legislation is on governmental data breaches rather than in protection against identity theft. Actual data continues to demonstrate that most losses of personal information are not the result of governmental data breaches, that most data breaches do not lead to identity theft, and that most identity theft does not result from data breaches.

While government agencies, including the University, must protect the personal information with which they are entrusted, the continued focus on data breaches by government agencies is not likely to have significant impact on the very real problem of identity theft. That would require changes in the credit industry, which is where identity theft actually occurs. This is of course a more difficult target for reform.

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

- 1) The University strongly urges against the creation of the Annual Report on Systems with Personal Information (Proposed as §487N-C). The very creation of such a report simply creates new risks for Hawaii's citizens by establishing a convenient "one-stop shop" for interested hackers and criminals who are targeting personal information in Hawaii. Any perceived value in creating such a report is more than outweighed by the new risks created.
- 2) Regarding the establishment of a new information privacy and security council: While the appropriation of funds for three new staff analysts will be of immense assistance, the Council seems doomed to failure in achieving the milestones in the current measure. If it is appointed by September 1, 2008 it will be almost impossible to complete substantive work with deadlines of January 1, 2009, March 31, 2009, June 30, 2009 and July 31, 2009. Particularly if there are any delays in hiring the three analysts

who will have to do the bulk of the work.

3) Finally, the University notes that a number of new compliance mandates are established in this bill without funding. While the bill invites agencies to prepare budget requests for addressing certain requirements, it would seem more reasonable to link full compliance with the necessary funding the Legislature recognizes will be necessary.

The University takes the protection of personal information very seriously and looks forward to working with the Legislature this session to craft legislation that will actually protect Hawai'i's citizen's from identity theft.