STAND. COM. REP. NO.



Honolulu, Hawaii

MAR 0 4 2011

RE: S.B. No. 796

S.D. 2

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 796, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INFORMATION,"

begs leave to report as follows:

The purpose and intent of this measure is to require a business that maintains personal information about Hawaii residents to implement a comprehensive information security program.

Your Committee received comments in support of this measure from Bruce Coppa, Comptroller, Department of Accounting and General Services.

Your Committee received comments in opposition to this measure from Rick Tsujimura, Reed Elsevier, Inc.; Christopher Oswald, Director, Reed Elsevier, Inc.; and Oren T. Chikamoto, American Council of Life Insurers.

Your Committee received comments on this measure from Noel T. Ono, Director, City and County of Honolulu Department of Human Resources; and Mihoko E. Ito, Consumer Data Industry Association.

Your Committee finds that businesses that maintain personal information about the residents of the State should execute comprehensive data security plans to provide adequate protection from potential security breaches.

SB796 SD2 SSCR LRB 11-2387.doc

Your Committee has amended this measure by:

- (1) Deleting the language defining "security breach" and inserting a reference to the definition of that term in section 487N-1, Hawaii Revised Statutes, to ensure that the definitions are consistent; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 796, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 796, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

Arrid J Ly
DAVID Y. IGE, Chair

## The Senate Twenty-Sixth Legislature State of Hawaiʻi

## Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee	Referral:		Date:	
SB 796 SD1	EDTICPNIDE, WAM 2/24/11				
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR	) Nay	Excused
IGE, David Y. (C)					
KIDANI, Michelle N. (VC)				77.800	
CHUN OAKLAND, Suzanne		<b>/</b>			
DELA CRUZ, Donovan M.		<b>V</b>			
ENGLISH, J. Kalani		<b>V</b>	-	Additionally and and an array of the same and array of the same and array of the same and the sa	A AMERICAN AND A STATE OF THE ASSESSMENT AND ASSESSMENT
ESPERO, Will					
FUKUNAGA, Carol		<b>√</b>			
KIM, Donna Mercado		V			
KAHELE, Gilbert		<b>√</b>			
KOUCHI, Ronald D.			### ##################################		
RYAN, Pohai	Martin Sale to Undappe Appendix Com-	<b>V</b>			
TOKUDA, JIII N.		<b>V</b> / -			**************************************
WAKAI, Glenn		<b>V</b>		FC v	
SLOM, Sam					
	2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2				
TOTAL		13	0	0	1
Recommendation:  Adopted  Not Adopted					
Chair's or Designee's Signature:					
France Chun Calland					
Distribution:         Original         Yellow         Pink         Goldenrod           File with Committee Report         Clerk's Office         Drafting Agency         Committee File Copy					