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GOVERNOR



DEPT. COMM. NO. 235

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RODERICK K. BECKER  
Comptroller

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Deputy Comptroller

DEC 19 2017

STATE OF HAWAII  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

DEC 22 2017

The Honorable Ronald D. Kouchi,  
President and Members of the Senate  
Twenty-Ninth State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki, Speaker  
and Members of the House of  
Representatives  
Twenty-Ninth State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

For your information and consideration, I respectfully submit the attached draft report on the existence and character of government agencies' personal information systems, pursuant to HRS section 487N-5(d). This report is subject to ratification at the next Information and Privacy Security Council meeting.

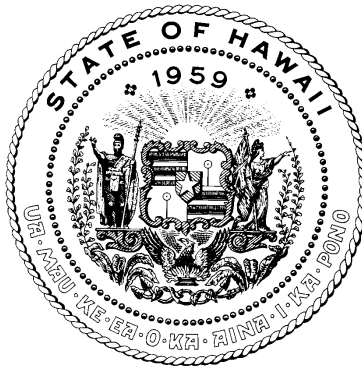
In accordance with HRS section 93-16, this report may be viewed electronically at <http://ipsc.hawaii.gov/>.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd Nacapuy".

Todd Nacapuy  
Chief Information officer

Attachment



INFORMATION AND PRIVACY SECURITY COUNCIL

ANNUAL SUMMARY REPORT

DECEMBER 28, 2017

SUBMITTED TO

THE TWENTY-NINTH STATE LEGISLATURE

**Information Privacy and Security Council**  
**Annual Summary Report**  
**December 28, 2017**

The Information Privacy and Security Council (IPSC) submits the following summary report on the existence and character of government agencies' personal information (PI) systems, pursuant to section 487N-5(d), Hawai'i Revised Statutes (HRS).

The IPSC has received the individual annual reports submitted by government agencies of the State of Hawai'i, City and County of Honolulu, Hawai'i County, Maui County, and Kaua'i County, in accordance with HRS section 487N-7. Enclosed are the council's findings, significant trends, and recommendations to protect PI used by government agencies.

## **BACKGROUND**

Any State or local government agency that maintains one or more personal information systems is required under section 487N-7 to submit to the IPSC an annual report on the existence and character of each PI system added or eliminated since the agency's previous annual report.

On August 25, 2017, IPSC Chair Todd Nacapuy issued a memorandum to all agency privacy designees on file (and copied to jurisdictional leadership) reminding agencies of their reporting responsibility. The IPSC also leveraged the representative makeup of its members to enhance outreach.

The IPSC successfully met its 2017 goal of making a "paperless" method of reporting available to all jurisdictions and departments. For the first time, all agencies had the option of using the IPSC's Privacy Impact Assessment (PIA) Online Form, accessible to agencies through the IPSC website ([ipsc.hawaii.gov](http://ipsc.hawaii.gov)), to comply with their reporting requirement.

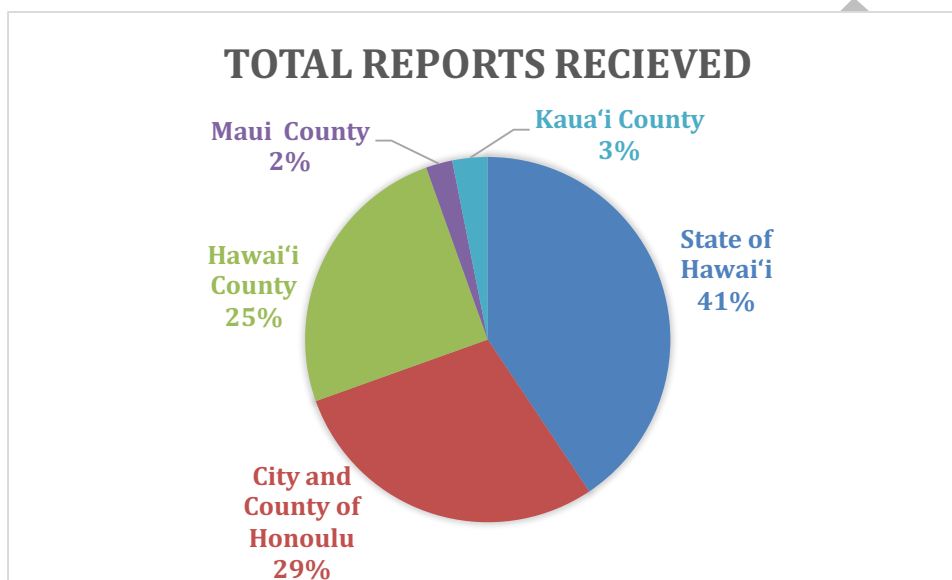
This online option had been piloted last year by seven State executive branch agencies which reported on 12 PI systems. There are several benefits:

- The electronic process is more efficient.
- The PIA Online Form and IPSC portal are both secure, providing a protected environment in which agency privacy designees may start, pause and save their work securely at any time before submitting.
- The information is saved for the next year and need only be modified if updates are required.

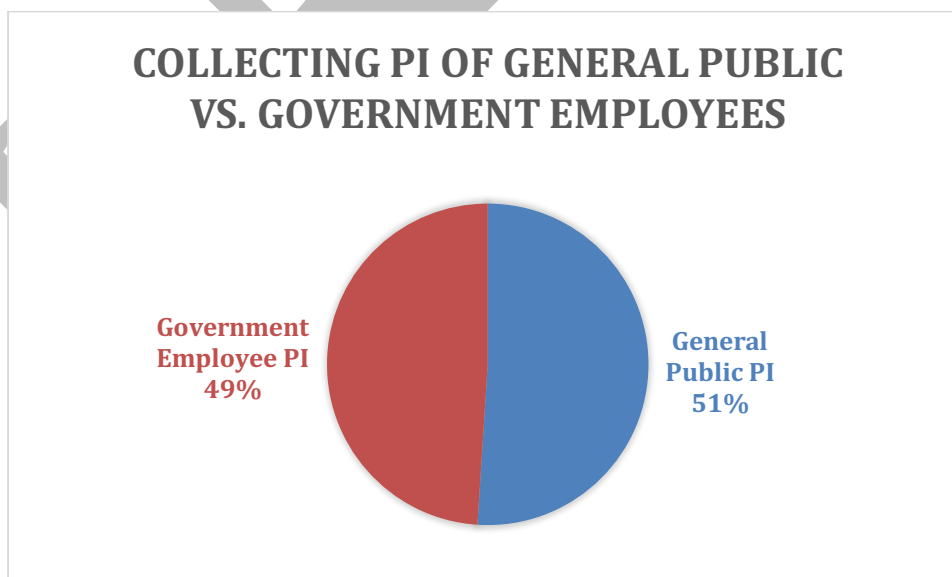
(Although use of the PIA Online Form was strongly encouraged, agencies still had the option to submit their reports by email or by mail, if they wished.)

## FINDINGS AND SIGNIFICANT TRENDS

The rate of reporting continues to improve since the passage of Act 10 of 2008, which established the reporting requirement. This year, the IPSC received reports from a total of 155 agencies (compared to 99 in 2016), with two agencies notifying the council that the “Agency Does Not Maintain PI Systems.” The number of reports generally correlated with the size of the government jurisdiction with the exception of Maui and Kaua‘i counties. Collections of the PI of members of the general public vs. government employees were approximately evenly divided.



*Total Reports Received: 41% from the State of Hawai'i; 29% from the City and County of Honolulu; 25% from Hawai'i County; 2% from Maui County; and 3% from Kaua'i County.*



*Collecting PI of General Public vs. Government Employees: 51% General Public PI; 49% Government Employee PI*

## **General Statistics**

Total Reports Received in 2017	155
Total Reports Submitted by Email or Hard-Copy	129
Total Reports Submitted via PIA Online Form	26
Reports Submitted by State Agencies	88
Reports Submitted by City and County of Honolulu Agencies	40
Reports Submitted by Hawai'i County Agencies	32
Reports Submitted by Maui County Agencies	3
Reports Submitted by Kaua'i County Agencies	4
Total Agencies Reporting They No Longer Collect/Maintain PI	2
Total Agencies Reporting No Changes from Previous Year	6
Agencies Reporting Systems Collecting PI of General Public	76
Agencies Reporting Systems Collecting PI of Government Employees	72
Agencies Reporting Systems Collecting Social Security Number (SSN)	31
Agencies Reporting Systems Collecting Last Four Digits of SSN	4

## **RECOMMENDATIONS**

### **Prevalence of Social Security Numbers**

Given that a significant number of agencies continue to collect SSN, it is recommended that the IPSC in 2018 augment reporting requirements to request that government agencies provide justification for continued use of the protected information. This may include the addition of several questions to assist the IPSC in assessing the merit of said justifications and, after further analysis, recommending legislation, if any, to further protect the privacy of individuals.

### **Relating to the Duty and Right of Finders**

Some State and local government agencies, including county law enforcement, are required under HRS sections 52D-14 and 261-17.7 to provide unclaimed property to finders after 45 days. Given that cell phones, computers, and other such electronic devices may contain personal information, it is recommended that Hawai'i State law be updated to keep pace with technology so that personal information is protected.

Through the Department of Accounting and General Services, the IPSC has submitted a legislative proposal containing amendments with the purpose to protect the personal information of individuals by providing county police departments and the department of transportation the authority to sanitize unclaimed electronic devices, in accordance with recognized standards and guidelines, before providing the unclaimed property to finders or disposing of the property by public auction or other means. The bill clarifies that found electronic devices that may contain personal information shall be sanitized before providing the unclaimed property to finders or disposing of the property by public auction or other means. Stakeholders include the State Department of Transportation and the county police departments.

For guidance, this bill refers to the Information Privacy and Security Council, which is already statutorily mandated under HRS section 487N-5, to develop guidelines to be considered by government agencies in deciding whether, how, and when a government agency shall inform

affected individuals of the loss, disclosure, or security breach of personal information that can contribute to identity theft.

The IPSC strongly supports this bill.

DRAFT