## A BILL FOR AN ACT

RELATING TO INTERNET PRIVACY.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. The Hawaii Revised Statutes is amended by
  2 adding a new chapter to be appropriately designated and to read
  3 as follows:
- 4 "CHAPTER
- 5 INTERNET SERVICE PROVIDERS; CUSTOMER PRIVACY
- 6 § -1 Personal information of customers. An internet
- 7 service provider shall not use, disclose, sell, or permit access
- $oldsymbol{8}$  to the personal information of customers, except as provided in
- 9 this chapter.
- 10 § -2 Customer consent. (a) An internet service
- 11 provider may use, disclose, sell, or permit access to the
- 12 personal information of customers; provided that the internet
- 13 service provider obtains prior written consent from the
- 14 customer, who may revoke such consent at any time.
- (b) An internet service provider shall employ a mechanism
- 16 for customers to grant, deny, or withdraw written consent that
- 17 is easy to use, clear, conspicuous, comprehensible, not



- 1 misleading, and persistently available through all methods that
- 2 the internet service provider gives to customers for account
- 3 management, in the language primarily used to conduct business
- 4 with the customer, and made available to the customer for no
- 5 additional cost.
- 6 (c) A customer's grant, denial, or withdrawal of written
- 7 consent shall be given effect promptly and remain in effect
- 8 until the customer revokes or limits the grant, denial, or
- 9 withdrawal of such consent.
- 10 (d) An internet service provider shall not:
- 11 (1) Refuse to serve a customer who does not provide
- 12 consent under this chapter; or
- 13 (2) Charge a customer a higher price or offer a customer a
- discount or any other benefit based on the customer's
- 15 decision to provide or not to provide consent.
- 16 § -3 Exceptions. (a) An internet service provider may
- 17 use, disclose, sell, or permit access to the personal
- 18 information of customers without the customer's consent under
- 19 the following circumstances:

1	(1)	For the purpose of providing internet service from
2		which such information is derived or for purposes
3		necessary for the provision of such service;
4	(2)	To comply with legal requirements, including court
5		orders and administrative orders;
6	(3)	To initiate, render, bill for, and collect payment for
7		the internet service provided;
8	(4)	To protect the rights or property of the internet
9		service provider or to protect other customers and
10		other internet service providers from fraudulent,
11		abusive, or unlawful use of or subscription to the
12		internet service provider's internet service network;
13	(5)	To provide location information concerning the
14		customer:
15		(A) To a public safety answering point; emergency
16		medical services provider or emergency dispatch
17		provider; public safety, fire service, or law
18		enforcement official; or hospital emergency or
19		trauma care facility, in order to respond to the

customer's request for emergency services;

1		(B)	To inform the customer's legal guardian, members
2			of the customer's family, or to a person
3			reasonably believed by the internet service
4			provider to be a close personal friend of the
5			customer regarding the customer's location in an
6			emergency situation that involves the risk of
7			death or serious injury; or
8		(C)	To providers of information or database
9			management services solely for purposes of
10			assisting in the delivery of emergency services
11			in response to an emergency.
12	(b)	Unle	ess otherwise prohibited by law, an internet

(b) Unless otherwise prohibited by law, an internet service provider may use, disclose, sell, or permit access to 13 the personal information of a customer to advertise or market 14 the internet service provider's communications-related services 15 to the customer; provided that the customer may opt out, in 16 writing, from such use, disclosure, sale, or access at any time. 17 All internet service providers shall provide notice to customers 18 of the right to opt out in accordance with the requirements of 19 20 this chapter.

1	(c) An internet service provider shall disclose the
2	personal information of the customer, upon affirmative written
3	request by the customer, to any person designated by the
4	customer.
5	§ -4 Aggregate customer personal information dataset.
6	Nothing in this chapter shall restrict an internet service
7	provider from:
8	(1) Generating an aggregate customer personal information
9	dataset using the personal information of customers;
0	or
1	(2) Using, disclosing, selling, or permitting access to ar
12	aggregate customer personal information dataset that
13	it generated.
14	§ -5 Security of the personal information of customers.
15	(a) An internet service provider shall implement and maintain
16	reasonable security measures to protect the personal information
17	of customers from unauthorized use, disclosure, sale, access,
18	destruction, or modification.
10	(h) Whother security measures are reasonable shall be

based on the following factors:

- 1 (1) The nature and scope of the internet service
  2 provider's activities;
- 3 (2) The sensitivity of the data that the internet service
  4 provider collects;
- 5 (3) The size of the internet service provider's6 operations; and
- 7 (4) The technical feasibility of the security measures.
- 8 (c) An internet service provider may employ any lawful
  9 security measures to comply with the requirements set forth in
  10 this section.
- 11 (d) An internet service provider shall not retain the
  12 personal information of customers for longer than reasonably
  13 necessary to accomplish the purposes for which the information
  14 was collected, unless otherwise required by section -3 or
  15 unless the data is part of an aggregate customer personal
  16 information dataset.
- § -6 Notice. (a) An internet service provider shall provide a clear, prominent, comprehensible, and not misleading notice of the requirements of sections -1 to -5 to each of its customers in the language primarily used to conduct business with the customer at the point of sale and when seeking the

1	customer's	written	opt-in	consent.	Each	internet	service

- 2 provider shall make the notice subsequently and persistently
- 3 available through all methods through which the internet service
- 4 provider gives customers for account management.
- 5 (b) The notice required by this section shall specify and
- 6 describe, or link electronically to a resource that specifies
- 7 and describes:
- 8 (1) The types of personal information of customers
- 9 collected, how that information is used by the
- internet service provider, and how long the internet
- 11 service provider retains the data;
- 12 (2) The circumstances under which the internet service
- provider discloses, sells, or permits access to the
- information that it collects;
- 15 (3) The categories of entities to which the internet
- service provider discloses, sells, or permits access
- 17 to the personal information of customers and the
- 18 purposes for which each category of entity will use
- the information; and
- 20 (4) The customer's right to consent with regard to the use
- of, disclosure of, sale of, or access to the personal

1	information	of	the	customer	and	how	that	right	may	be
								J	-	

- 2 exercised.
- 3 (c) An internet service provider shall provide advance
- 4 notice of material changes to how it uses, discloses, sells, or
- 5 permits access to the personal information of customers or the
- 6 notice required under this section. The advance notice provided
- 7 pursuant to this subsection shall specify that a customer may
- 8 grant, deny, or withdraw consent at any time in a manner that
- 9 accords with the requirements of this chapter.
- 10 § -7 Enforcement. Every person who violates this
- 11 chapter shall be fined not less than \$1,000 nor more than \$3,000
- 12 for the first offense, and not less than \$3,000 nor more than
- 13 \$9,000 for each offense thereafter.
- 14 § -8 Waiver; void and unenforceable. Any waiver by a
- 15 customer of the provisions of this chapter shall be deemed
- 16 contrary to public policy and shall be void and unenforceable.
- 17 § -9 Applicability. This chapter shall apply to all
- 18 internet service providers operating within Hawaii when
- 19 providing internet service to their customers who are residents
- 20 of or physically located in Hawaii.
- 21 § -10 Definitions. As used in this chapter:

"Aggregate customer personal information dataset" means 1 2 collective data that relates to a group or category of 3 customers, from which individual customer identities and characteristics have been removed, and that is not linked or 4 5 reasonably linkable to any individual person, household, or 6 device. "Consent" means affirmative, explicit customer approval for 7 the requested use, disclosure, sale, or access to the personal 8 9 information of the customer after the customer has been provided appropriate notification of the internet service provider's 10 -6. 11 practices under section 12 "Material change" means any change that a customer, acting reasonably under the circumstances, would consider important to 13 14 the customer's decisions regarding the customer's privacy. 15 "Personal information of customers" and "personal 16 information of the customer" mean information collected by an internet service provider from or about a customer that is made 17 available to the internet service provider by a customer solely 18 by virtue of the relationship between the internet service 19 20 provider and the customer, including the following:

Name and billing information of the customer;

(1)

1	(2)	Government-issued identifiers, such as social security
2		and driver's license numbers, of the customer;
3	(3)	Other contact information, such as physical address,
4		electronic mail address, or telephone number, of the
5		customer;
6	(4)	Demographic information, such as date of birth, age,
7		race, ethnicity, nationality, religion, political
8		beliefs, marital status, gender, or sexual
9		orientation, of the customer;
10	(5)	Financial information, health information, or
11		information pertaining to children with respect to the
12		customer;
13	(6)	Geolocation information sufficient to identify street
14		name and name of a city or town;
15	(7)	Information that relates to the quantity, technical
16		configuration, type, destination, location, and amount
17		of use of the internet service provider, including web
18		browsing history, application usage history, timing of
19		use, quantity of use, and origin and destination

internet protocol addresses of all internet traffic;

1	(8)	Content of communications, which includes any part of
2		the substance, purport, or meaning of a communication
3		or any other part of a communication that is highly
4		suggestive of the substance, purpose, or meaning of a
5		communication, and includes application payload;
6	(9)	Device identifiers, such as media access control
7		address, international mobile equipment identity
8		number, and internet protocol address;
9	(10)	Information concerning a customer that is collected or
10		made available and is maintained in a way that the
11		information is linked or reasonably linkable to a
12		particular customer or device; and
13	(11)	Information related to a customer that has had the
14		customer's identity and characteristics removed."
15	SECT	ION 2. If any provision of this Act, or the
16	applicati	on thereof to any person or circumstance, is held
17	invalid,	the invalidity does not affect other provisions or
18	applicati	ons of the Act that can be given effect without the
19	invalid p	rovision or application, and to this end the provisions
20	of this A	ct are severable.

SECTION 3. This Act shall take effect upon its approval. 1

2

INTRODUCED BY:

JAN 2 2 2018

#### Report Title:

Customer Privacy; Internet Service Providers

#### Description:

Prohibits internet service providers from using the personal information of customers for specific purposes without the prior written consent of customers.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.