

Identity Theft Task Force
(Established by Act 140, Session Laws of Hawai`i 2006)
State of Hawai`i
www.state.hi.us/auditor

Minutes of Meeting

The agenda for this meeting was filed with the Office of the Lieutenant Governor, as required by Section 92-7(b), Hawai`i Revised Statutes.

Date: Thursday, February 1, 2007

Time: 9:35 a.m.

Place: State Capitol
415 South Beretania Street
Conference Room 423
Honolulu, Hawai`i

Present: Chair Gary Caulfield, Financial Services Industry
Vice Chair Marvin Dang, Financial Services Industry
Clayton Arinaga, County Police Departments Designee
Craig De Costa, Hawai`i Prosecuting Attorneys Association
Senator Carol Fukunaga, President of the Senate's Designee
Representative Jon Riki Karamatsu, Speaker of the House of Representatives Designee
Nathan Kim, The Judiciary
Stephen Levins, Director of the Office of Consumer Protection
Senator Ron Menor, President of the Senate Designee
Representative Colleen Meyer, Speaker of the House of Representatives Designee
Robert Takushi, Consumer and Business Organizations
Rick Walkinshaw, United States Secret Service Electronic Crimes Unit
Sharon Wong, Department of Accounting and General Services
Christopher D.W. Young, Department of the Attorney General

Marion M. Higa, State Auditor, Office of the Auditor
Russell Wong, IT Coordinator, Office of the Auditor
Jayna Muraki, Special Projects Coordinator, Office of the Auditor
Sterling Yee, Assistant Auditor, Office of the Auditor
Pat Mukai, Secretary, Office of the Auditor

Jeffrey Loo, J.W. Loo & Associates
Dennis Ihara, Bureau of Conveyances
Harriet Enrique, Bureau of Conveyances
Bruce Shimomoto, Department of Education
Russell Ahana, Department of Education
Rod Moriyama, Department of Education
Linda Taylor, SMA
Jodi Ito, University of Hawai`i

Excused: Lt. Andrew Castro, Honolulu Police Department's Criminal Investigation Division
Fay Ikei, Department of Education
Ronald Johnson, United States Attorney for the District of Hawai`i Designee
Paul Kosasa, Retail and Small Business Community
David Lassner, University of Hawai`i
Tim Lyons, Consumer and Business Organizations

Carol Pregill, Retail and Small Business Community
Mel Rapozo, Hawai'i State Association of Counties Designee
Tom Terry, United States Postal Service

Call to Order: Chair Caulfield called the meeting to order at 9:35 a.m. at which time quorum was established.

Chair's Report: Announcements, introductions, correspondence, and additional distribution
Chair reported on the additional distribution and correspondence. The following were distributed:

1. S.B. No. 331
2. A list of questions given to agencies that will be making presentations.
3. Consultant's project status report.
4. Honolulu Advertiser article regarding a breach at the Department of Health.

Member Lassner sent an email to all task force members. Chair Caulfield referred the email to the sub-task force headed by Member Young. The sub-task force can start to assemble whatever empirical evidence exists on the connection between data that's stolen and its use in criminal activity.

Minutes of previous meeting

Member Dang pointed out a typographical error. Member Wong requested two corrections to the minutes.

Vice Chair Dang moved to approve the minutes as corrected. Member Young seconded. The minutes were approved as corrected.

Informational Briefings/
Discussion: Department of Land and Natural Resources – Bureau of Conveyances
Dennis Ihara, Deputy Registrar, and Harriet Enrique briefed the task force.

By law, the bureau has to accept all documents for recordation. Documents that contain personal information are primarily judgments and child support enforcement orders. Some child support enforcement orders are received with full Social Security numbers. HRS §636-3 requires a Social Security number, Hawai'i general excise tax number, federal employer number, or a statement that the information is not available to be included with judgments. Also of concern to the bureau is redacting the large number of past documents.

Member Levins stated that his office recently had a problem trying to record a judgment with only 4 digits of a Social Security number. He asked what the bureau's policy was on accepting 4 digits of a Social Security number.

Mr. Ihara stated that documents with Social Security numbers are red flagged and acceptance of the 4 digit Social Security number is currently on a case by case basis. There is no overall policy yet.

Member Dang asked how title companies obtain recorded documents. Mr. Ihara answered that title companies and law firms subscribe to a computer feed of documents that are processed.

Chair Caulfield asked Mr. Ihara to go through the presentation questions.

What kinds of personal information does the agency collect and store besides title documents? Mr. Ihara answered that the major documents that include personal information are judgments and child support enforcement orders.

How many records does the bureau maintain? Ms. Enrique said the bureau was

established in the 1800s and takes in approximately 2,000 documents per day. Judgments and child support enforcement orders are received in bulk so they could account for 10% to 60% of documents received in a day.

Is personal information made available to third parties? Ms. Enrique replied that Social Security numbers are redacted on a piecemeal basis. Mr. Ihara stated that management is working on a uniform policy.

Is there one overall manager responsible for access and security within the agency or is responsibility dispersed among various groups within the agency? Mr. Ihara indicated that the department's first deputy has overall responsibility.

Is any training on confidentiality handling of personal information provided to staff? Mr. Ihara said there is no formal training provided.

What is the agency's most critical need to assure security of personal information? Mr. Ihara identified handling past documents as a major problem. How to redact the past documents and the cost of equipment and manpower are problems.

Senator Fukunaga asked if there's some way that the bureau can identify different levels of implementation and execution over time. Ms. Enrique answered that it could be done on a piecemeal basis. Older records don't have Social Security numbers. Records prior to 1976 are on microfilm. All ten title companies and some attorneys are linked to the bureau's system and have all the information the bureau receives. The bureau can redact its copies of documents but there are other copies outside the bureau's control.

Member Young asked if the bureau has considered user agreements to place the burden of securing documents on the buyer of the information. According to Mr. Ihara, the bureau is working with the Attorney General's office to draft new agreements.

Are there any physical or electronic based solutions in place to protect personal information? Mr. Ihara responded that the bureau has been meeting with consultants to discuss this issue.

Are the system/files that contain personal information in one site or is it dispersed? The information is dispersed. Multiple copies of records are located at the archives and in storage. In addition, the title companies and law firms have copies.

How does the agency dispose physical and electronic records? Mr. Ihara stated that records are never disposed or destroyed.

Chair Caulfield asked if the bureau is looking at the problem strategically. Mr. Ihara stated that the bureau's problems are similar to the Judiciary's and they have been in contact. Chair Caulfield asked if it would be easier if there were some kind of central administration guidance since all the state agencies seem to be struggling with this on their own. Mr. Ihara said yes.

Auditor's
Report

Jeffrey Loo of J.W. Loo & Associates, consultant, gave a status report to the task force. He has received 35 queries on questionnaire items. It seems that many agencies don't have written policies but they have oral policies. As of January 31, he received about 60 questionnaires out of about 100 questionnaires sent to state and county agencies. Extensions were given to about 20 agencies.

Mr. Loo distributed a copy of a governor's memo dated September 8, 2006 that was distributed to state agencies. The memo reminded the executive agencies about the 2006 acts and the need to comply. In addition to notice to the Legislature, agencies were asked

to report breaches immediately to the governor's office. The governor also cited a DAGS memorandum, dated April 12, 2006, on disposal of government records.

Mr. Loo also distributed a copy of a press release by the Identity Theft Assistance Center with information on the sources of identity theft based on a survey of 275 victims of identity theft.

Mr. Loo stated that the State Procurement Office (SPO) is working on a statewide RFP for procuring services for government records disposal for agencies. The SPO is aware of HRS 487R.

Mr. Loo reported that one of the questionnaires returned by a Honolulu County agency included a copy of the county's Protection of Personnel Information Interim Program. He said it was well done and attempts to address HRS 487J and 487R.

Investigative Working Groups – Reports:

Member Levins reported the sub-task force on public information met twice and has made some progress. It's focusing on a 1-page document highlighting the critical parts of the new acts. The group is searching for the best way to disseminate the information. Discussion included a press conference or having business members distribute it with their publications.

Member Young reported he was trying to schedule a meeting for his sub-task force on legislation. He understands that they will have to move quickly if they want to propose new legislation.

Meeting Schedule:

Chair Caulfield announced that the next meeting is scheduled for March 1st, at a location to be determined. The County Clerk from the Hawai'i County will be giving a presentation at the meeting. The Department of Education will present in June and the Department of Health in May.

Other:

Member Young briefed the task force on the recent breach at the Department of Health. As there is an ongoing criminal investigation, he could not provide details; however, the AG's office was consulted upon discovery of the breach. It involved an employee with access to a database with information on 12,500 people. At first, they were aware of only three victims and immediately notified them. They then decided to notify all 12,500 people although the breach occurred before January 1, the effective date of the law requiring notification. Since the notice, they have found ten more victims. This is an example of the need for the statute.

Senator Fukunaga discussed S.B. No. 331. The consultant's study and the work the auditor's office is tasked to do may be more expansive than originally envisioned. With the recent experience of a breach involving government records, there may be additional things the auditor's office and task force may want to do. She will try to flag other pending legislation for members.

Next Meeting:

date: Thursday, March 1, 2007
time: 9:00 a.m.
address: to be determined

Adjournment: Chair Caulfield moved to adjourn the meeting, seconded by Member Young. It was voted on and unanimously approved to adjourn the meeting.

With no further business to discuss, the Chair adjourned the meeting at 10:20 a.m.

Reviewed and approved by:

Russell Wong
IT Coordinator

February 26, 2007

[] Approved as circulated.

[.....] Approved with corrections; see minutes of _____ meeting.

ID Theft/020107