

Honolulu, Hawaii

MAR 21 2014

RE: H.B. No. 1715  
H.D. 1  
S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Madam:

Your Committees on Human Services and Commerce and Consumer Protection, to which was referred H.B. No. 1715, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE INVESTOR EDUCATION PROGRAM,"

beg leave to report as follows:

The purpose and intent of this measure is to support and protect Hawaii's kupuna by appropriating funds to the Office of the Securities Commissioner for educational outreach targeted at kupuna, based on a model similar to the Department of Commerce and Consumer Affairs' existing investor education programs, particularly in the areas of indexed annuities, life-settlement annuities, variable annuities, and Ponzi schemes.

Your Committees received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committees find that elderly citizens are often victimized by consumer and financial fraud such as identity theft, investment fraud, and health care fraud. Your Committees further find that there is a growing need to educate and inform consumers about financial fraud and protect seniors against financial fraud and scams. The investor education programs within the Department of Commerce and Consumer Affairs provide kupuna with education and outreach, including information about how to make wise choices when investing and how to detect financial fraud.



Your Committees have amended this measure by:

- (1) Amending the purpose of the appropriation to the operation of investor education and related financial programs targeted to kupuna, to allow the Department of Commerce and Consumer Affairs more flexibility in educating Hawaii's kupuna about fraudulent investment schemes;
- (2) Amending section 1 to reflect the amended purpose of this measure;
- (3) Inserting an appropriation amount of \$50,000; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1715, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1715, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committees on Human Services  
and Commerce and Consumer  
Protection,


  
\_\_\_\_\_  
ROSALYN H. BAKER, Chair

  
\_\_\_\_\_  
SUZANNE CHUN OAKLAND, Chair



The Senate  
 Twenty-Seventh Legislature  
 State of Hawai'i

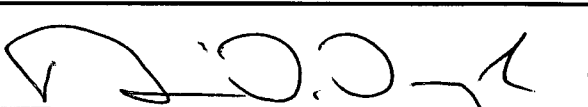
**Record of Votes**  
**Committee on Human Services**  
**HMS**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1715, HD1	HMS/CPN, WAM	3/19/14		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)	✓			
GREEN, M.D., Josh (VC)				✓
KIDANI, Michelle N.	✓			
TANIGUCHI, Brian T.	✓			
SLOM, Sam	✓			
<b>TOTAL</b>	4	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

\*Only one measure per Record of Votes

The Senate  
 Twenty-Seventh Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Commerce and Consumer Protection**  
**CPN**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1715 HD1	HMS/CPN, WAM	3/18/2014		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
TANIGUCHI, Brian T. (VC)	✓			
NISHIHARA, Clarence K.				✓
WAKAI, Glenn				✓
SLOM, Sam	✓			
<b>TOTAL</b>	5	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

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