The Honorable Donna Mercado Kim,  
President  
and Members of the Senate  
Twenty-Seventh State Legislature  
State Capitol, Room 409  
Honolulu, Hawaii 96813  

The Honorable Joseph M. Souki,  
Speaker and Members of the  
House of Representatives  
Twenty-Seventh State Legislature  
State Capitol, Room 431  
Honolulu, Hawaii 96813

Dear President Kim, Speaker Souki, and Members of the Legislature:

This is to inform you that on June 30, 2014, the following bill was signed into law:

SB2345 SD1 HD1 CD1  
RELATING TO THE INVESTOR EDUCATION PROGRAM  
ACT 152 (14)

Sincerely,

NEIL ABERCROMBIE  
Governor, State of Hawaii
A BILL FOR AN ACT

RELATING TO THE INVESTOR EDUCATION PROGRAM.

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

SECTION 1. The legislature finds that national and local news accounts report that elderly citizens are often victimized when it comes to sophisticated investment frauds. Some of the most recognizable and fastest growing segments of investment fraud against the elderly are in the areas of indexed annuities, life-settlement annuities, variable annuities, and Ponzi schemes. The securities commissioner has presented a white paper to a national group highlighting the spike in cases filed in the area of sophisticated investment frauds.

The legislature further finds that fighting fraud and abuse against the elderly presents unique challenges in Hawaii. The State's population is aging much faster than the national average, and the cultural and ethnic diversity that characterizes Hawaii's kupuna population is unlike that of any other state in the country.

The legislature additionally finds that the department of commerce and consumer affairs has taken a proactive approach to preventing fraud against the State's citizens through investment...
education. The investor education program within the department of commerce and consumer affairs, office of the securities commissioner, offers free educational presentations and materials for all investors, including seniors. The program provides education and outreach to the State's kupuna, including information on how to make wise choices when investing and how to detect financial fraud, and is an important way the State supports and protects Hawaii's kupuna.

Accordingly, the purpose of this Act 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's existing investor education programs, particularly in the areas of indexed annuities, life-settlement annuities, variable annuities, and Ponzi schemes.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of $50,000 or so much thereof as may be necessary for fiscal year 2014-2015 to the office of the securities commissioner of the department of commerce and consumer affairs for educational outreach targeted at kupuna, based on a model similar to the department's existing investor education programs, particularly in the areas of indexed annuities, life-settlement annuities, variable annuities, and Ponzi schemes.
indexed annuities, life-settlement annuities, variable

annuities, and Ponzi schemes. The sum appropriated shall be expended by the department of commerce and consumer affairs for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2014.

APPROVED this 30 day of JUN, 2014

GOVERNOR OF THE STATE OF HAWAII