

STAND. COM. REP. NO.

1223

Honolulu, Hawaii

MAR 23 2007

RE: H.B. No. 1306
H.D. 2
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and Affordable Housing, to which was referred H.B. No. 1306, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO ENHANCED PENALTIES FOR SECURITIES VIOLATIONS COMMITTED AGAINST ELDERS,"

begs leave to report as follows:

The purpose of this measure is to authorize enhanced civil and administrative penalties for securities violations, when the violations are directed toward, target, or are committed against seniors who are sixty-two years of age and older.

This measure authorizes civil and administrative penalties of up to \$50,000 for each violation.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, the Policy Advisory Board for Elder Affairs, and AARP-Hawaii.

Your Committee finds that investment fraud against seniors is a growing concern in Hawaii, as demonstrated in a recent statewide survey conducted by AARP Hawaii. This measure is directly responsive to these concerns, as it allows for greater civil and administrative penalties for violations of the State's securities laws when the violations are directed towards, target, or are committed against seniors. This measure will allow the State to be proactive in deterring investment fraud against seniors.

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Your Committee has amended this measure by adding a savings clause and changing the effective date from January 1, 2112, to July 1, 2007.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Affordable Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1306, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1306, H.D. 2, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Affordable
Housing,




BRIAN T. TANIGUCHI, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Commerce, Consumer Protection and Affordable Housing
CPH

| | | | | |
|--|--|-------------------------|-----|----------|
| Bill / Resolution No.:* HB 1306 HD2 | Committee Referral: CPH, JDL | Date: 3/14/07 | | |
| <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 |
| TANIGUCHI, Brian T. (C) | ✓ | | | |
| IGE, David Y. (VC) | | | | ✓ |
| ESPERO, Will | ✓ | | | |
| IHARA, Jr., Les | | | | ✓ |
| SAKAMOTO, Norman | ✓ | | | |
| SLOM, Sam | ✓ | | | |
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| TOTAL | 4 | | | 2 |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">  </div> | | | | |
| Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency | | | | |

*Only one measure per Record of Votes