
A BILL FOR AN ACT

RELATING TO THE INVESTOR EDUCATION PROGRAM.

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

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

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

16 The legislature additionally finds that the department of
17 commerce and consumer affairs has taken a proactive approach to
18 preventing fraud against the State's citizens through investment



1 education. The investor education program within the department
2 of commerce and consumer affairs, office of the securities
3 commissioner, offers free educational presentations and
4 materials for all investors, including seniors. The program
5 provides education and outreach to the State's kupuna, including
6 information on how to make wise choices when investing and how
7 to detect financial fraud, and is an important way the State
8 supports and protects Hawaii's kupuna.

9 Accordingly, the purpose of this Act is to support and
10 protect Hawaii's kupuna by appropriating funds to the office of
11 the securities commissioner for educational outreach targeted at
12 kupuna, based on a model similar to the department's existing
13 investor education programs, particularly in the areas of
14 indexed annuities, life-settlement annuities, variable
15 annuities, and Ponzi schemes.

16 SECTION 2. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$ or so much
18 thereof as may be necessary for fiscal year 2014-2015 to the
19 office of the securities commissioner of the department of
20 commerce and consumer affairs for educational outreach targeted
21 at kupuna, based on a model similar to the department's existing
22 investor education programs, particularly in the areas of



1 indexed annuities, life-settlement annuities, variable
2 annuities, and Ponzi schemes.

3 The sum appropriated shall be expended by the department of
4 commerce and consumer affairs for the purposes of this Act.

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



Report Title:

Office of the Securities Commissioner; Investor Education
Program; Kupuna; Appropriation

Description:

Appropriates funds for educational outreach targeted at kupuna,
based on DCCA's existing investor education programs. Effective
July 1, 2014. (SB2345 HD1)

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not legislation or evidence of legislative intent.*

