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TO THE HOUSE COMMITTEE ON
CONSUMER PROTECTION & COMMERCE

TWENTY-SEVENTH STATE LEGISLATURE
REGULAR SESSION, 2014

MONDAY, MARCH 10, 2014
2:00 P.M.

TESTIMONY ON SENATE BILL NO. 2345, S.D. 1
RELATING TO THE INVESTOR EDUCATION PROGRAM

TO THE HONORABLE ANGUS L.K. MCKELVEY, CHAIR,
AND TO THE HONORABLE DEREK S.K. KAWAKAMI, VICE CHAIR,
AND MEMBERS OF THE COMMITTEES:

The Department of Commerce and Consumer Affairs ("Department") appreciates the opportunity to provide testimony on Senate Bill No. 2345, S.D. 1 ("Senate Draft 1"), Relating to the Investor Education Program. My name is Keali'i Lopez, Director of the Department. The Department offers the following testimony in support of the bill.

Senate Draft 1 proposes to support and protect Hawaii's kupuna by appropriating \$50,000 in general funds to the Department for the operation of the investor education and other related financial education programs targeted to kupuna.

As the bill notes, the Department has taken a proactive approach to preventing fraud against the State's citizens through the department's investor education program, which offers free educational presentations and materials for all investors. In particular, 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. In this electronic age where financial fraud can occur through telephone and internet scams, and even without our knowledge through cyber theft of our personal financial information, the Department recognizes the ongoing, if not growing, need to educate and inform consumers of such threats, and strongly supports educational programs that will help to protect and empower Hawaii's seniors against financial fraud and scams.

With regard to the specific language and scope of the bill, the Department supports the expanded scope of the appropriation in Senate Draft 1 since it provides the Department flexibility in educating Hawaii's seniors of fraudulent investment schemes.

Thank you for the opportunity to provide testimony on Senate Bill No. 2345, S.D. 1.