

STAND. COM. REP. NO.

3679

Honolulu, Hawaii

JUN 26 2020

RE: H.B. No. 2317
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred H.B. No. 2317, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO SECURITIES,"

begs leave to report as follows:

The purpose and intent of this measure is to protect elders
and vulnerable adults from financial exploitation in relation to
securities.

Prior to the hearing on this measure, your Committee posted
and made available for public review a proposed S.D. 1, which
amends this measure by inserting an effective date of upon its
approval.

Your Committee received testimony in support of this measure
or the proposed S.D. 1 from the Department of Commerce and
Consumer Affairs, Department of Human Services, Securities
Industry Association of Hawaii, Securities Industry and Financial
Markets Association, and one individual. Your Committee received
comments on the proposed S.D. 1 from the Office of Information
Practices.

Your Committee finds that Americans lose approximately \$2.9
billion annually in media-reported cases of financial
exploitation. Furthermore, it is estimated that only one out of



every forty-four instances of financial abuse is reported to the authorities, much less the media. The financial exploitation of the elderly and vulnerable adults has steadily increased during the COVID-19 pandemic, and the financial consequences for those who fall victim to financial exploitations are often devastating and irreparable, and can include loss of independence, a reduced quality of life, and even death. This measure reflects consensus language between various stakeholders to strengthen efforts to address financial exploitation and to help protect vulnerable adults and our kupuna.

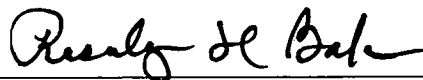
Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending this measure by:

- (1) Clarifying that "financial exploitation" includes converting money, assets, or property of the elder or the vulnerable adult to deprive the elder or the vulnerable adult of the ownership, use, benefit, or possession of the elder's or the vulnerable adult's money, assets, or property;
- (2) Clarifying that all records made available pursuant to the provisions of this measure shall be exempt from disclosure under chapter 92F; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2317, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2317, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary.



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



ROSALYN H. BAKER, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:* HB2317 HD2	Committee Referral: CPH, JDC	Date: 6/24/20		
<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)	/			
CHANG, Stanley (VC)				/
NISHIHARA, Clarence K.	/			
RUDERMAN, Russell E.	/			
THIELEN, Laura H.	/			
WAKAI, Glenn	/			
FEVELLA, Kurt	/			
TOTAL	6			1
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;">Clarence K. Nishihara</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes