



DAVID Y. IGE
GOVERNOR

JOSH GREEN
LT. GOVERNOR

**STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

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JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Consumer Protection & Commerce
and
House Committee on Judiciary**

**Wednesday, February 12, 2020
2:00 p.m.
State Capitol, Conference Room 329**

**On the following measure:
H.B. 2317, H.D. 1, RELATING TO SECURITIES**

Chair Takumi, Chair Lee, and Members of the Committees:

My name is Ty Nohara, and I am the Commissioner of Securities of the Department of Commerce and Consumer Affairs' (Department) Business Registration Division. The Department supports this administration bill, and respectfully urges the committees' favorable consideration of the consensus draft attached to this testimony.

The purpose of this bill is to protect vulnerable adults from financial exploitation in relation to securities. This bill is based upon the North American Securities Administrators Association's (NASAA's) Model Act to Protect Vulnerable Adults from Financial Exploitation, which NASAA members adopted on January 22, 2016. As of September 30, 2019, 24 jurisdictions have enacted legislation based upon NASAA's Model Act, and one jurisdiction has adopted the Model Act by regulation.

This bill aims to more closely align the interests and responsibilities of securities professionals, regulators, and law enforcement with regard to the reporting and prevention of financial exploitation of the elderly and other vulnerable adults. In particular, this bill requires a qualified person to report to the Commissioner of Securities upon a reasonable belief of suspected financial exploitation and authorizes the qualified person to notify an individual reasonably associated with the account, or any third party previously designated by the vulnerable adult, of the suspected financial exploitation. It also requires qualified persons to share records with the Commissioner of Securities, other agencies administering adult protective services laws, or law enforcement in connection with any investigation of financial exploitation of a vulnerable adult and authorizes the temporary delay in the disbursement of funds from an account if financial exploitation of a vulnerable adult is suspected. In addition, this bill provides immunity from civil or administrative liability to qualified persons who report suspected financial exploitation and delay disbursements in good faith and while exercising reasonable care.

The Department has been working with the Securities Industry Association of Hawaii, the Securities Industry and Financial Markets Association, the Executive Office on Aging, the Department of Human Services, and the National Association of Insurance Agents and Financial Advisors Hawaii to reach consensus language, which: (1) authorizes a delay in transactions as well as disbursements; (2) authorizes the Commissioner of Securities to extend the delay of a disbursement or a transaction beyond 25 business days; (3) changes the 7-day reporting requirement to status updates upon request; (4) uses the date on which the requested disbursement or transaction is delayed as the trigger for all relevant time periods; (5) changes the definition of “vulnerable adult” by lowering the minimum age from 62 to 60 years old; (6) gives immunity to a qualified person for delaying a disbursement or a transaction; and (7) changes the definition of “reasonably associated individual” to include any third party reasonably associated with the vulnerable adult. For the Committees’ reference, enclosed is proposed H.D. 2, which includes the agreed-upon language.

We respectfully ask the Committees to pass this administration bill with the amendments in proposed H.D. 2.

Thank you for the opportunity to testify, and I would be happy to answer any questions the Committees may have.

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1 or possession of his or her money, assets, or
2 property; or

3 (B) Convert money, assets, or property of the
4 vulnerable adult to deprive the vulnerable adult
5 of the ownership, use, benefit, or possession of
6 his or her money, assets, or property.

7 "Qualified person" means any agent, broker-dealer,
8 investment adviser representative, investment adviser, or person
9 who serves in a supervisory or compliance capacity for a broker-
10 dealer or an investment adviser.

11 "Reasonably associated individual" means any person known
12 to the qualified person to be reasonably associated with the
13 vulnerable adult or the account.

14 "Vulnerable adult" means:

15 (1) A person sixty years of age or older; or

16 (2) A person eighteen years of age or older who,
17 because of mental, developmental, or physical
18 impairment, is unable to:

19 (A) Communicate or make responsible decisions to
20 manage the person's own care or resources;

21 (B) Carry out or arrange for essential activities of
22 daily living; or

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1 (C) Protect oneself from abuse, as defined in section
2 346-222.

3 **§485A-B Governmental disclosures.** If a qualified person
4 reasonably believes that financial exploitation of a vulnerable
5 adult may have occurred, may have been attempted, or is being
6 attempted, the qualified person shall promptly notify the
7 commissioner.

8 **§485A-C Immunity for governmental disclosures.** A
9 qualified person who, in good faith and exercising reasonable
10 care, makes a disclosure of information pursuant to section
11 485A-B shall be immune from administrative or civil liability
12 that might otherwise arise from the disclosure or for any
13 failure to notify the customer of the disclosure.

14 **§485A-D Third-party disclosures.** If a qualified person
15 reasonably believes that financial exploitation of a vulnerable
16 adult may have occurred, may have been attempted, or is being
17 attempted, a qualified person may notify a reasonably associated
18 individual or any third party previously designated by the
19 vulnerable adult. Disclosure may not be made to any reasonably
20 associated individual or previously designated third party that
21 is suspected of financial exploitation or other abuse of the
22 vulnerable adult.

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1 **§485A-E Immunity for third-party disclosures.** A qualified
2 person who, in good faith and exercising reasonable care,
3 complies with section 485A-D shall be immune from any
4 administrative or civil liability that might otherwise arise
5 from the disclosure.

6 **§485A-F Delaying disbursements or transactions.** (a) A
7 broker-dealer or investment adviser may delay a disbursement
8 from, or a transaction in connection with, an account of a
9 vulnerable adult or an account on which a vulnerable adult is a
10 beneficiary if:

11 (1) The qualified person reasonably believes, after
12 initiating an internal review of the requested
13 disbursement or transaction and the suspected
14 financial exploitation, that the requested
15 disbursement or transaction may result in financial
16 exploitation of a vulnerable adult; and

17 (2) The broker-dealer or investment adviser:

18 (A) Immediately, but in no event more than two
19 business days after the requested disbursement or
20 transaction is delayed, provides written
21 notification of the delay and the reason for the
22 delay to all parties authorized to transact

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1 business on the account, unless any such party is
2 reasonably believed to have engaged in suspected
3 or attempted financial exploitation of the
4 vulnerable adult;

5 (B) Immediately, but in no event more than two
6 business days after the requested disbursement or
7 transaction is delayed, notifies the
8 commissioner; and

9 (C) Continues its internal review of the suspected or
10 attempted financial exploitation of the
11 vulnerable adult, as necessary, and provides
12 status updates to the commissioner upon request.

13 (b) Any delay of a disbursement or a transaction as
14 authorized by this section shall expire upon the sooner of:

15 (1) A determination by the broker-dealer or investment
16 adviser that the requested disbursement or transaction
17 will not result in financial exploitation of the
18 vulnerable adult; or

19 (2) Fifteen business days after the date on which the
20 broker-dealer or investment adviser first delayed the
21 requested disbursement or transaction, unless the
22 commissioner requests that the broker-dealer or

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1 investment adviser extend the delay, in which case the
2 delay shall expire no more than twenty-five business
3 days after the date on which the broker-dealer or
4 investment adviser first delayed the requested
5 disbursement or transaction, unless sooner terminated
6 or further extended by the commissioner or by an order
7 of a court of competent jurisdiction.

8 (c) A court of competent jurisdiction may enter an order
9 extending the delay of the requested disbursement or
10 transaction, or may order other protective relief based on the
11 petition of the commissioner, the broker-dealer or investment
12 adviser that initiated the delay under this section, or other
13 interested party.

14 **§485A-G Immunity for delaying disbursements or**
15 **transactions.** A qualified person who, in good faith and
16 exercising reasonable care, complies with section 485A-F shall
17 be immune from any administrative or civil liability that might
18 otherwise arise from a delay of the requested disbursement or
19 transaction in accordance with this section.

20 **§485A-H Records.** A broker-dealer or investment adviser
21 shall provide access to or copies of records that are relevant
22 to the suspected or attempted financial exploitation of a

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1 vulnerable adult to the commissioner, agencies charged with
2 administering state adult protective services laws, or law
3 enforcement, either as part of a referral to the commissioner,
4 agency, or law enforcement, or upon request of the commissioner,
5 agency, or law enforcement pursuant to an investigation. The
6 records may include historical records as well as records
7 relating to the most recent transaction or transactions that may
8 comprise financial exploitation of a vulnerable adult. All
9 records made available under this section shall not be
10 considered a government record as defined in section 92F-3.

11 Nothing in this provision shall limit or otherwise impede
12 the authority of the commissioner to access or examine the books
13 and records of broker-dealers and investment advisers as
14 otherwise provided by law.

15 **§485A-I Multiple duties to report.** Compliance with this
16 section shall not discharge the duty to report suspected abuse
17 under any other section."

18 SECTION 2. In codifying the new sections added to chapter
19 485A, Hawaii Revised Statutes, by section 1 of this Act, the
20 revisor of statutes shall substitute appropriate section numbers
21 for the letters used in designating and referring to the new
22 sections in this Act.

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1 SECTION 3. This Act shall take effect upon its approval.

2

3

INTRODUCED BY: _____

4

BY REQUEST

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H.B. NO. 2317
H.D. 2

Report Title:

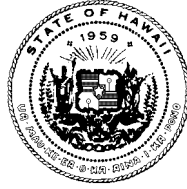
Uniform Securities Act; Vulnerable Adult; Financial
Exploitation; Chapter 485A

Description:

Protects vulnerable adults from financial exploitation in
relation to securities.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

DAVID Y. IGE
GOVERNOR



PANKAJ BHANOT
DIRECTOR

CATHY BETTS
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

February 11, 2020

TO: The Honorable Representative Roy M. Takumi, Chair
House Committee on Consumer Protection & Commerce

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 2317 HD1 - RELATING TO SECURITIES**

Hearing: February 12, 2020, 2:00 p.m.
Conference Room 325, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the intent of this administration bill, suggests amendments, and offers comments.

PURPOSE: Protects vulnerable adults from financial exploitation in relation to securities. Effective on 12/31/2059. (HD1)

DHS recommends amending the definition of "vulnerable adult" by removing "(1) a person sixty-two years of age or older" (Page 2, line 17). A clear distinction is required between "elder" and "vulnerable adult" because not all elders meet the department's statutory criteria of "vulnerable adult" per section 346-222, Hawaii Revised Statutes (HRS).

DHS Adult Protective & Community Services Branch responds to reports of abuse or neglect of a "vulnerable adult" defined in section 346-222, HRS, as:

"a person eighteen years of age or older who, because of mental, developmental, or physical impairment, is unable to:

- (1) Communicate or make responsible decisions to manage the person's own care or resources;
- (2) Carry out or arrange for essential activities of daily living; or
- (3) Protect oneself from abuse, as defined in this part."

DHS recommends adding a new definition of "elder" to the proposed section 485A-A to clarify that two distinct groups of people are protected throughout this measure. DHS recommends consideration that "elder" means a person who is sixty years of age or older.

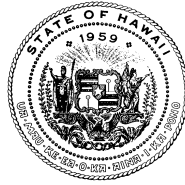
This definition of "elder" will be consistent with the department's recommendations in HB 2220, to consistently define the age of an elder victim as sixty years of age or older. This will also support consistency with SB 2334 which lowers the age of crimes against seniors to sixty years of age. A consistent age of "elder" will support efforts to improve the protection and well-being of elders.

DHS requests amendment to the proposed section 485A-H Records because not all elders meet the definition of "vulnerable adult" per section 346-222, HRS. Clarification is required that providing access to or copies of records to DHS either as part of a referral to DHS, or upon request of DHS pursuant to an investigation, pertains only to "vulnerable adults."

DHS appreciates that this measure strengthens efforts to address financial exploitation of elders and vulnerable adults in relation to securities by utilizing the Department of Commerce and Consumer Affairs' Securities Enforcement Branch, which investigates and prosecutes violations of Hawaii's securities laws. Although these actions are currently beyond the scope and capacity of DHS, this measure will reinforce multidisciplinary efforts by supporting referrals to DHS for possible investigation of other forms of financial exploitation or other types of abuse or neglect that may be present.

Thank you for the opportunity to provide testimony on this bill.

DAVID Y. IGE
GOVERNOR OF HAWAII



CAROLINE CADIRAO
DIRECTOR

BRUCE S. ANDERSON, Ph.D.
DIRECTOR OF HEALTH

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**Testimony COMMENTING on HB2317 HD1
Relating to Securities**

COMMITTEE ON CONSUMER PROTECTION & COMMERCE
REP. ROY TAKUMI, CHAIR
REP. LINDA ICHiyAMA, VICE CHAIR

COMMITTEE ON JUDICIARY
REP. CHRIS LEE, CHAIR
REP. JOY SAN BUENAVENTURA, VICE CHAIR

Testimony of Caroline Cadirao
Director, Executive Office on Aging
Attached Agency to the Department of Health

Hearing Date: FEBRUARY 12, 2020
2:00 PM

Room Number: 325

- 1 **EOA's Position:** The Executive Office on Aging (EOA), an attached agency to the Department
- 2 of Health, offers comments on the bill. This measure is a Department of Commerce and
- 3 Consumer Affairs administration bill.
- 4 **Fiscal Implications:** HB 2317 HD1 adds a new part to Chapter 485A, HRS, Uniform Securities
- 5 Act to protect vulnerable adults from financial exploitation. An individual who is a victim of
- 6 financial exploitation may subsequently become reliant on taxpayer funds for housing, food and
- 7 healthcare.
- 8 **Purpose and Justification:** The purpose of this bill is to prevent and deter financial exploitation
- 9 and abuse of elders by: 1) adding the offense of financial exploitation of an elder to Chapter
- 10 485A, HRS; 2) establishing enhanced penalties for those convicted of the offense; and 3)

1 requiring financial institutions to report instances of financial abuse of an elder directly to the
2 police and report suspected financial abuse to the Department of Human Services. The Executive
3 Office on Aging (EOA) appreciates establishing more protection for our kupuna. Financial
4 exploitation has been described as the fastest growing form of elder abuse. Additionally,
5 financial exploitation is often unreported because the perpetrator is often someone entrusted by
6 the victim, the victim is ashamed or embarrassed, reliant on the perpetrator for care or support,
7 fearful of retaliation or unaware of the abuse. Imposing stricter penalties will hopefully be a
8 deterrent for this type of abuse of our elders.

9 **Recommendation:** EOA would like to: 1) delete the definition of "vulnerable adult" (page 2,
10 line 17). "Vulnerable adult" is already defined in Chapter HRS 346-222 Adult Protective
11 Services. 2) add new definition of "elder" to be "a person sixty years of age or older". Sixty (60)
12 is the age that is also being proposed by prosecutors in HB 1874 and SB 2334 Relating to
13 Criminal Offenses Against Seniors amending Chapters 707 and 708, HRS. Additionally, sixty
14 (60) years old is the age that is used in the Older Americans Act which EOA uses as the basis for
15 our programs. Changing the age to sixty (60) would better align our statutes that protect our
16 kupuna.

17 Thank you for the opportunity to testify.



House Committee on Consumer Protection & Commerce
House Committee on Judiciary
February 12, 2020 – 2:00pm – Room 325

House Bill 2317, HD1: Relating to Securities

Chairs Takumi and Lee and Vice Chairs Ichiyama and San Buenaventura, my name is Cynthia Takenaka representing NAIFA Hawaii, an organization of life insurance agents and financial advisors throughout Hawaii who primarily market life, annuity, long term care and disability income insurance products.

HB 2317 adds a new section to Chapter 485A, HRS – “Protection of Vulnerable Adults From Financial Exploitation”.

To ensure that seniors are protected a number of states have enacted or are considering model legislation from the National Association of State Securities Administrators (NASSA) that requires financial advisors and their firms to report suspected financial exploitation of a senior client to authorities. It also provides advisers and firms with immunity from liability for taking steps to protect their clients financial assets. We support the efforts to protect seniors and/or vulnerable persons from financial exploitation.

After the House Human Services & Homelessness Committee heard this measure last week, we were able to further discuss HB 2317 with the Securities Commissioner and staff and are now in agreement with the Commissioner with the following amendments that were of concern to us.

We support HB 2317, HD1, with the following amendments:

1. On page 3, “Section 485A-C: Immunity for governmental disclosures. A qualified person who, in good faith and exercising reasonable care, makes a disclosure of information pursuant to section 485A-B ~~or who otherwise discloses information concerning the financial exploitation of a vulnerable adult to a broker-dealer, investment adviser, or a person who serves in a supervisory or compliance capacity for a broker-dealer, an investment adviser, or adviser~~ shall be immune from administrative or civil liability that might otherwise arise from the disclosure or for any failure to notify the customer of the disclosure.”.

Comment: Broker-dealers may establish their own protocols/process for reporting financial abuse to the Commissioner whereby specific individuals in the firm are to report to the Commissioner.

2. On page 4, Section 485A-D: Third party disclosures.

If a qualified person reasonably believes that financial exploitation of a vulnerable adult may have occurred, may have been attempted, or is being attempted, a qualified person may notify a ~~broker-dealer, investment adviser, or a person who serves in a supervisory or compliance capacity for a broker-dealer, an investment adviser or adviser.~~ reasonably associated individual or any third party previously designated by the vulnerable adult. Disclosure ~~shall~~ may not be made to any reasonably associated individual or previously designated third party that is suspecting of financial exploitation or other abuse of the vulnerable adult.

Comment: Broker-dealers may establish their own protocols/process in contacting the reasonably associated individual or third party by identifying specific individuals in the firm to complete the notification.

3. On pages 4-5, Section 485A-F: Delaying disbursements.

(a)(1) The ~~broker-dealer or investment adviser~~ qualified person reasonably believes, after initiating an internal review of the requested disbursement and the suspected financial exploitation, that the requested disbursement may result in financial exploitation of the vulnerable adult; and...

Comment: The broker-dealer and investment adviser are included in the definition of a qualified individual.

4. On page 7, Section 485A-G: Immunity for delaying disbursements.

A ~~broker-dealer, investment adviser, or~~ qualified individual who, in good faith and exercising reasonable care, complies with section 485A-F shall be immune....

Comment: The broker-dealer and investment adviser are included in the definition of a qualified individual.

Mahalo for allowing us to testify and offer our input.



February 10, 2020

The Honorable Ray M. Takumi, Chair
The Honorable Linda Ichiyama, Vice Chair
House Committee on Consumer Protection and Commerce
The Honorable Chris Lee, Chair
The Honorable Joy A. San Buenaventura, Vice Chair
House Committee on Judiciary
Hawaii State Capitol
415 Beretania St.
Honolulu, HI 96813

RE: HB 2317, An Act Protecting Vulnerable Adults from Financial Exploitation.

Dear Chair Takumi, Vice Chair Ichiyama, and Members of the Committee on Consumer Protection and Commerce; and Chair Lee, Vice Chair San Buenaventura and Members of the Committee on Judiciary.

The Securities Industry Association of Hawaii (SIAH) was formed over 20 years ago to foster communications among securities firms, regulators, and the legislature.

SIAH strongly supports efforts to protect our Kupuna. The bill is based on a five - year old model rule that has, over time, been enacted by more than two dozen states. SIAH strongly supports the Securities Industry and Financial Markets Association (SIFMA) suggested additions that include: (1) including holds on transactions as well as disbursements, (2) allowing the securities division to extend the hold period, (3) changing the seven day reporting requirement to "upon request", and (4) aligning the start dates with existing federal requirements. In addition, we support the lowering of the age to 60 and changing the definition of a "reasonably associated individual" to include any person reasonably associated with the vulnerable adult.

Thus, we support, and are in agreement with, the revised language in H.B. 2317 H.D. 2, as proposed by the Commissioner of Securities of the Department of Commerce and Consumer Affairs.

The SIAH appreciates the opportunity to provide support and suggestions. Please do not hesitate to contact me at 808-625-2596 with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Tony Goodrum".

Tony Goodrum
President.



February 11, 2020

The Honorable Roy M. Takumi, Chair
The Honorable Linda Ichiyama, Vice-Chair
House Committee on Consumer Protection & Commerce
Hawaii State Capitol
415 South Beretania St.
Honolulu, HI 96813

RE: Support of Revised Language in HB 2317 HD 2 as Proposed by the Commissioner of Securities of the Department of Commerce and Consumer Affairs.

Dear Chair Takumi and Vice-Chair Ichiyama:

The Securities Industry and Financial Markets Association (“SIFMA”)¹ is a national trade association representing over 350 large, medium and small broker-dealers, investment banks and asset managers, many of whom have a strong presence in Hawaii. In fact, more than 16,000 people in the state work in the finance and insurance industries, 1,000 of them work at securities firms, and 5 broker-dealer main offices call Hawaii home.

SIFMA is proud to be a vocal advocate in the fight against senior financial exploitation. Among other things, SIFMA has worked to educate policymakers and the general public on the need for increased senior protections and founded a large working group for member firms to share ideas and best practices. SIFMA has also worked with federal and state legislatures and regulators on various “Report and Hold” proposals that would allow reporting firms to place temporary holds on suspicious transactions and/or disbursements. Such laws are now in place in 27 states, and the Financial Industry Regulatory Authority (the industry’s national regulator) has had similar rules in effect for over two years.²

We are writing today in strong support of revised language in HB 2317 HD 2 as proposed by the Commissioner of Securities. Americans lose approximately \$2.9 billion annually in media-reported cases of financial exploitation.³ Sadly, these numbers are quite low as it is estimated that only 1 out of every 44 instances of financial abuse is reported to the authorities, much less in the media.⁴ Moreover, the devastating impact of abuse is not just economic. Financial exploitation can result in a loss of independence, a reduced quality of life and even death.⁵

¹ SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry's nearly 1 million employees, we advocate for legislation, regulation and business policy, affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA). For more information, visit <http://www.sifma.org>.

² Financial Industry Regulatory Authority Rule [2165](#).

³ MetLife Study of Elder Financial Abuse: Crimes of Occasion, Desperation, and Predation Against America’s Elders (2011).

⁴ National Adult Protective Services Association, “Elder Financial Exploitation,” available at: <https://www.napsa-now.org/get-informed/exploitation-resources/>.

⁵ Burnett, Jason, “Elder Financial Exploitation: More than Just Financial [Loss](#),” SIFMA, February 2019.

The revised language in HB 2317 HD 2 as proposed by the Commissioner of Securities helps protect investors in a variety of ways. It provides firms that suspect exploitation with a reporting pathway to the Securities Division which can then investigate the financial exploitation. It also permits firms to notify third parties reasonably associated with the vulnerable adult of the suspected exploitation so that they can be aware of and assist in stopping the suspected abuse. Perhaps most importantly, HB 2317 HD 2 would give firms the ability to place a temporary hold on suspicious transactions or disbursements while the suspected exploitation is being investigated - so that the investor is not irreparably harmed before the investigation is completed.

We believe the revised language in HB 2317 HD 2 as proposed by the Commissioner of Securities, is a fair and balanced tool that will help curb both the economic and psychological damage associated with financial exploitation. We thank you both for your commitment to assisting vulnerable adults and for your willingness to consider our views.

Please do not hesitate to contact me at 202-962-7411 with any questions.

Sincerely,

A handwritten signature in black ink that reads "Kim Chamberlain". The signature is written in a cursive, flowing style.

Kim Chamberlain
Managing Director and Associate General Counsel
State Government Affairs

CC: All Members, House Committee on Consumer Protection & Commerce



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House Committee on Consumer Protection & Commerce; and
House Committee on Judiciary
February 12, 2020, 2:00 pm
Hawaii State Capitol, Room 325



In Support of HB 2317, Relating to Securities

To: The Honorable Roy Takumi & Chris Lee, Chairs
The Honorable Linda Ichiyama & Joy San Buenaventura, Vice-Chairs
Members of the Committees

My name is Stefanie Sakamoto, and I am testifying on behalf of the Hawaii Credit Union League, the local trade association for 51 Hawaii credit unions, representing over 800,000 credit union members across the state. We offer the following testimony in support of HB 2317, Relating to Securities.

This bill would protect “vulnerable adults” from securities fraud. Unfortunately, financial elder abuse is a crime that occurs often, and is often difficult to uncover. By adding a new section in the Hawaii Revised Statutes dealing primarily with financial exploitation of vulnerable adults, Hawaii’s elderly population will hopefully be given added protection against financial crimes. Hawaii’s credit unions have long worked with law enforcement to investigate and prosecute these types of crimes. With our elder population growing, this bill will further help protect our elderly members and their assets.

Thank you for the opportunity to provide comments on this issue.