

STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

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Testimony of the Department of Commerce and Consumer Affairs

Before the
Senate Committee on Health and Human Services and
Commerce and Consumer Protection
Wednesday, February 14, 2023
9:30 p.m.
Conference Room 229

On the following measure:
S.B. 931, RELATING TO CONSUMER PROTECTION

Chairs Buenaventura, Keohokalole, and Members of the Committee:

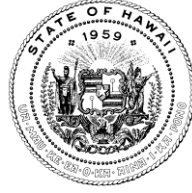
My name is Iris Ikeda, and I am the Commissioner of Financial Institutions of the Department of Commerce and Consumer Affairs' (Department) Division of Financial Institutions (DFI). The Department offers comments on this bill.

The purpose of this bill requires check cashers to report suspected financial exploitation of elders and vulnerable adults in relation to check cashing; provides immunity for good faith reporting; authorizes a check casher to refuse to cash a check in situations of suspected financial exploitation.

The DFI defers to the Office of Consumer Protection (OCP), DCCA on this matter as Chapter 480F, Hawaii Revised Statutes (HRS), is under the purview of OCP's oversight. DFI limits its comments to Section 3, page 6 relating to the exemption to the current exemptions in section 480F-5, HRS as it is duplicative of state and federal oversight. It appears that the proposed exemption would eliminate the exemption for

our banks regulated through Chapter 412, HRS to the check casher law. Banks are heavily regulated by DFI and the federal banking agencies to make sure the banks are providing products and services to consumers in a safe and sound manner and conducting transactions with regulatory compliance. Consequently, the provisions for check cashing would be covered by our ongoing supervision or with the regular examinations.

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



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Before the
Senate Committee on Health and Human Services
and
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Tuesday, February 14, 2023
9:30 AM
State Capitol, Conference Room 229

On the following measure:
S.B. 931, RELATING TO CONSUMER PROTECTION

Chairs San Buenaventura, Chair Keohokalole, and Members of the Committees:

My name is Mana Moriarty, and I am the Executive Director of the Department of Commerce and Consumer Affairs' (Department) Office of Consumer Protection. The Department appreciates the intent and offers comments of this bill.

The purposes of this bill are to: (1) require check cashiers to report suspected financial exploitation of elders and vulnerable adults in relation to check cashing; (2) provide immunity for good faith reporting; and (3) authorize a check casher to refuse to cash a check in situations of suspected financial exploitation.

The intent of this bill is to combat cases of financial abuse of elders and vulnerable adults. Existing laws require mandatory reporting of financial abuse by financial institutions, see HRS 412:3-114.5, and of financial exploitation by investment brokers, among others, see HRS 485A-802. It is unclear whether data collected pursuant to these mandatory reporting requirements has been used to combat financial

Testimony of DCCA

S.B. 931

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abuse of elders and vulnerable adults. While we applaud efforts to combat financial abuse of elders and vulnerable adults, whether mandatory reporting requirements help to combat occurrences of financial abuse appears to be largely unstudied.

Thank you for the opportunity to testify on this bill.



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The State Legislature
Senate Committee on Health and Human Services
Senate Committee on Commerce and Consumer Protection
Tuesday, February 14, 2023
Conference Room 229
9:30 a.m.

TO: The Honorable Joy San Buenaventura, Chair
The Honorable Jarrett Keohokalole, Chair
RE: Support for S.B. 931 Relating to Consumer Protection

Aloha Co-Chairs San Buenaventura, Keohokalole, and Members of the Committees:

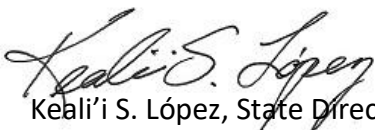
My name is Keali'i Lopez and I am the State Director for AARP Hawai'i. AARP is a nonpartisan, social mission organization that advocates for individuals age 50 and older. We have a membership of nearly 38 million nationwide and nearly 140,000 in Hawaii. We advocate at the state and federal level for the issues that matter most to older adults and their families.

AARP Supports S.B. 931 which requires check cashiers to report suspected financial exploitation of elders and vulnerable adults in relation to check cashing. We respectfully suggest there should be clarification on 480F-5, which exempts people who work at banks and retailers. It would be clearer if the definition for "check cashier" is included.

Because elder abuse is often hidden, detecting and preventing it requires increasing awareness. A broad range of protective services is needed to help prevent and stop abuse. The general public, financial institutions, first responders, health professionals, and others must be made aware of the signs of abuse. Financial institutions are often the first to notice elder financial exploitation. Policy makers and financial institutions should protect consumers with diminished capacity and others who are at risk of financial exploitation.

Thank you very much for the opportunity to testify in strong support for **S.B. 931**.

Sincerely,


Keali'i S. López, State Director

SB-931

Submitted on: 2/10/2023 4:14:08 PM

Testimony for CPN on 2/14/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Lynn Murakami Akatsuka	Individual	Support	Written Testimony Only

Comments:

I strongly support SB 931 passage this session. The elderly and vulnerable adults need this added layer of protection and advocacy from financial institutions.

Thank you Senator Rhoads for sponsoring SB 931.

SB-931

Submitted on: 2/12/2023 1:29:34 PM

Testimony for CPN on 2/14/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Support	Written Testimony Only

Comments:

Please support SB931.

SB-931

Submitted on: 2/12/2023 3:45:53 PM

Testimony for CPN on 2/14/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
lynne matusow	Individual	Support	Written Testimony Only

Comments:

Daily we hear about more scams targeting elderly. Most of them will deny they are being scammed, etc. This is an important bill. Please pass this bill.

LATE

SB-931

Submitted on: 2/13/2023 7:07:53 PM
Testimony for CPN on 2/14/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Barbara J. Service	Individual	Oppose	Written Testimony Only

Comments:

SB931. Please support this bill for check cashers to report suspected exploitation of elders.

Apologies for the late submission.

Barbara J. Service. MSW (ret.)
Former Child Welfare Services supervisor
Kupuna Advocate