



DAVID Y. IGE  
GOVERNOR

JOSH GREEN  
LT. GOVERNOR

**STATE OF HAWAII**  
**DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**  
**BUSINESS REGISTRATION DIVISION**  
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**BUSINESS REGISTRATION DIVISION INFORMATION RELEASE**

**SUBJECT: ACT 54, RELATING TO SECURITIES**

The Department of Commerce and Consumer Affairs, Office of the Securities Commissioner announces the passage of House Bill 940, now Act 54, of the 2021 legislative session.

Act 54, signed into law by Governor David Y. Ige on June 16, 2021, expands the State's securities law, Hawaii Revised Statutes chapter 485A, and will allow the Department to better protect Hawaii's elders and vulnerable adults from financial exploitation in relation to securities. The Act is based upon the North American Securities Administrators Association's (NASAA) Model Act to Protect Vulnerable Adults from Financial Exploitation, which NASAA members adopted on January 22, 2016. Hawaii proudly joins the 28 other jurisdictions that have already enacted legislation based upon NASAA's Model Act, and the one jurisdiction that has adopted NASAA's Model Act by regulation.

This bill:

- (1) mandates reporting of suspected financial exploitation of elders and vulnerable adults in relation to securities;
- (2) provides immunity for good faith reporting, thereby addressing existing privacy rules and concerns about potential legal exposure to liability that may make it difficult for securities professionals to contact regulators and other government authorities to report suspected financial exploitation; and
- (3) authorizes the delay of disbursements and transactions while the suspected financial exploitation is being investigated to prevent irreparable harm to the investor.

Link to [House Bill 940, H.D.2, S.D.1](#) (PDF).

For additional information, contact the Securities Enforcement Branch at (808) 586-2740 or [seb@dcca.hawaii.gov](mailto:seb@dcca.hawaii.gov).