

HOUSE No. 1239

The Commonwealth of Massachusetts

PRESENTED BY:

John J. Lawn, Jr.

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act protecting vulnerable adults from financial exploitation.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>John J. Lawn, Jr.</i>	<i>10th Middlesex</i>	<i>1/17/2025</i>
<i>Bridget Plouffe</i>	<i>9th Plymouth</i>	<i>6/29/2025</i>
<i>Steven George Xiarhos</i>	<i>5th Barnstable</i>	<i>10/28/2025</i>

HOUSE No. 1239

By Representative Lawn of Watertown, a petition (accompanied by bill, House, No. 1239) of John J. Lawn, Jr., relative to the financial exploitation of adults. Financial Services.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Fourth General Court
(2025-2026)**

An Act protecting vulnerable adults from financial exploitation.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 The General Laws are hereby amended by inserting after chapter 167D the following new
2 chapter:-

3 CHAPTER 167D 1/2.

4 FINANCIAL EXPLOITATION OF VULNERABLE ADULTS.

5 Section 1. (The following words, whenever used in this chapter shall have the definitions
6 set forth herein, unless context otherwise requires) as used in this chapter, the following
7 words shall, unless the context clearly requires otherwise, have the following meanings:-

8 “Adult protective services agency” means any office, division, department, or unit in the
9 Commonwealth that is charged with the investigation of abuse, neglect, or exploitation of (a)
10 elder adults or (b) a disabled person, as defined in section 1 of chapter 19C.

11 “Commissioner” means the Commissioner of the Division of Banks or their designee

12 “Eligible adult” means (a) a person 60 years of age or older or (b) a disabled person, as
13 defined in section 1 of chapter 19C.

14 “Financial exploitation” means (a) the wrongful or unauthorized taking, withholding,
15 appropriation, or use of money, assets, or property of an eligible adult; or (b) any act or omission
16 taken by a person, including through the use of a power of attorney, guardianship, or
17 conservatorship of an eligible adult, to: (1) obtain control, use, or benefit of the eligible adult’s
18 money, assets, or property to deprive the eligible adult of the ownership, use, benefit, or
19 possession of his or her money, assets, or property through deception, intimidation, or undue
20 influence, or by the use of any unethical or dishonest conduct; or (2) convert money, assets, or
21 property of the eligible adult to deprive such eligible adult of the ownership, use, benefit,
22 or possession of his or her money, assets, or property.

23 “Financial institution” means (a) any bank, trust company, co-operative bank or savings
24 bank, if organized or exists under the laws of the commonwealth or any other state or may
25 transact business in the commonwealth, a national bank, federal savings bank or federal savings
26 and loan association, or any credit union that is organized or exists under the laws of the
27 commonwealth or any other state , or federal credit union or may transact business in the
28 commonwealth, all as defined by section 1 of chapter 167 or section 1 of chapter 171.

29 “Qualified individual” means (a) any agent, employee, or person who serves in a
30 supervisory, compliance, or legal capacity for a financial institution, and (b) employees eligible
31 for immunity in accordance with the Senior Safe Act of 2018.

32 Section 2. If a financial institution or qualified individual reasonably believes that the
33 financial exploitation of an eligible adult may have occurred, may have been attempted, or is
34 being attempted, then the financial institution or qualified individual may notify:

35 the Commissioner; and any relevant adult protective services agency.

36 Section 3. Under section 2, notification shall be made by written communication or by
37 form as issued by the Commissioner. Such notice shall include, to the extent possible: (1) the
38 name and address of the eligible adult; (2) the name and address of the eligible adult's caretaker;
39 (3) the age of the eligible adult; (4) the nature and extent of the eligible adult's potential or actual
40 injury or condition resulting from the financial exploitation; (5) any other pertinent information;
41 and (6) any additional information that is required by a rule adopted or form or order issued by
42 the Commissioner.

43 Section 4. If a financial institution or qualified individual, acting in good faith and
44 exercising reasonable care, believes that the financial exploitation of an eligible adult may have
45 occurred, may have been attempted, or is being attempted, then a qualified individual may notify
46 any third party previously designated by the eligible adult; provided, however, that a qualified
47 individual shall not notify any designated third party that is suspected of the financial
48 exploitation or other abuse of the eligible adult.

49 Section 5. A financial institution may delay a disbursement from, or a transaction in
50 connection with, an account of an eligible adult or an account on which an eligible adult is a
51 beneficiary if any qualified individual has reasonable cause to believe that, after initiating an
52 internal review of the requested disbursement or transaction and the suspected financial

53 exploitation, that the requested disbursement or transaction may result in the financial
54 exploitation of the eligible adult, and the financial institution or qualified individual:

55 (a) Provides written notification of the delay and the reason for the delay to all parties
56 authorized to transact business on the account not more than 2 business days after the requested
57 disbursement or transaction, unless any such party is reasonably believed to have engaged in
58 suspected or attempted financial exploitation of the eligible adult;

59 (b) Provides notification of such delay to the Commissioner not more than 2 business
60 days after the requested Disbursement or transaction; and

61 (c) Continues its internal review of the suspected or attempted financial exploitation of
62 the eligible adult, as necessary, and reports the investigation's results to the commissioner within
63 10 business days after the day the financial institution or qualified individual first delayed
64 disbursement of the funds or the transaction. The Commissioner shall retain a digital or other
65 record of each notice and report received under clauses (b) and (c), respectively, of this section

66 Section 6. The authorization of any delay of a disbursement or transaction pursuant to
67 section 5 shall expire immediately upon the sooner of: the determination by the financial
68 institution that the disbursement or transaction will not result in the financial exploitation of the
69 eligible adult; or, 21 business days after the date on which the financial institution first delayed
70 the requested disbursement or transaction.

71 A court of competent jurisdiction may enter an order extending the delay of a
72 disbursement or transaction under this section, or may order other protective relief, upon the
73 petition of the Commissioner; adult protective services agency; a financial institution or qualified
74 individual that initiated the delay under this section; or other interested party.

75 Section 7. A financial institution or qualified individual shall provide access to or copies
76 of records that are relevant to the suspected or attempted financial exploitation of an eligible
77 adult to the Commissioner, adult protective service agency, or law enforcement pursuant to an
78 investigation. Such records may include historical records and records pertaining to a
79 disbursement or transaction related to the suspected or attempted financial exploitation of an
80 eligible adult. Records made available pursuant to this section shall not be public records and
81 shall not be available for public examination.

82 Section 8. A financial institution or qualified individual that, in good faith and exercising
83 reasonable care, complies with this chapter shall be immune from any administrative or civil
84 liability that might otherwise arise from such action.

85 Section 9. Nothing in this chapter shall limit or otherwise impede the authority of the
86 Secretary of Commonwealth from accessing or examining the books and records of a broker-
87 dealer or investment adviser as otherwise provided by law or conducting any lawful investigation
88 into potential violations of chapter 110A.