

HOUSE No. 5300

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, March 26, 2026.

The committee on Children, Families and Persons with Disabilities, to whom was referred the petition (accompanied by bill, House, No. 296) of Paul McMurtry relative to financial exploitation of certain adults with disabilities, reports recommending that the accompanying bill (House, No. 5300) ought to pass.

For the committee,

JAY D. LIVINGSTONE.

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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 SECTION 1. The General Laws, as appearing in the 2024 Official Edition, are hereby
2 amended

3 by inserting after chapter 167D the following

4 CHAPTER 167D 1/2 FINANCIAL EXPLOITATION OF VULNERABLE ADULTS

5 Section 1. As used in this chapter the following words shall, unless the context clearly
6 requires

7 otherwise, have the following meanings:-

8 “Adult protective services agency”, any office, division, department, or unit in the

9 Commonwealth that is charged with the investigation of abuse, neglect, or exploitation of

10 (i)

11 elder adults or (ii) a disabled person, as defined in section 1 of chapter 19C of the General
12 Laws,

13 as so appearing.

14 “Commissioner”, the commissioner of the division of banks or a designee.

15 “Eligible adult”, (i) a person 60 years of age or older or (ii) a disabled person, as defined
16 in

17 section 1 of said chapter 19C, as so appearing.

18 “Financial exploitation”, (i) the wrongful or unauthorized taking, withholding,
19 appropriation, or

20 use of money, assets, or property of an eligible adult; or (ii) any act or omission taken by
21 a

22 person, including through the use of a power of attorney, guardianship, or
23 conservatorship of an

24 eligible adult, to obtain control, use, or benefit of the eligible adult’s money, assets, or
25 property

26 to deprive the eligible adult of the ownership, use, benefit, or possession of his or her
27 money,

28 assets, or property through (A) deception, intimidation or undue influence; or (B) by the
29 use any

30 unethical or dishonest conduct; or (C) by converting money, assets, or property of the
31 eligible

32 adult to deprive such eligible adult of the ownership, use, benefit, or possession of his or
33 her
34 money, assets, or property.

35 “Financial institution”, (a) any bank, trust company, co-operative bank or savings bank, if
36 organized or exists under the laws of the Commonwealth or any other state or may
37 transact

38 business in the Commonwealth, a national bank, federal savings bank or federal savings
39 and loan

40 association, or any credit union that is organized or exists under the laws of the
41 Commonwealth

42 or any other state, or federal credit union or may transact business in the Commonwealth,
43 as

44 defined by section 1 of chapter 167 or section 1 of chapter 171 of the General Laws, as so
45 appearing.

46 “Qualified individual”, (i) any agent, employee, or person who serves in a supervisory,
47 compliance, or legal capacity for a financial institution, and (ii) employees eligible for
48 immunity

49 in accordance with the Senior Safe Act of 2018.

50 “Agency” (i) the commissioner, (ii) the disabled person protection commission

51 established

52 pursuant to section 2 of said chapter 19C, as so appearing, under the age of 60, and/or

53 (iii) the

54 executive office of elder affairs, if the eligible adult is 60 years or older.

55 Section 2. If a financial institution or qualified individual reasonably believes that the

56 financial

57 exploitation of an eligible adult may have occurred, may have been attempted, or is being

58 attempted, the financial institution or qualified individual may promptly notify the

59 relevant

60 agency.

61 Section 3. If a financial institution or qualified individual acting in good faith and

62 exercising

63 reasonable care, believes that financial exploitation of an eligible adult may have

64 occurred, may

65 have been attempted, or is being attempted, a qualified individual may notify any third

66 party

67 previously designated by the eligible adult reasonably associated with the adult permitted
68 under
69 state or federal law, regulation or the rules organization of a self-regulatory organization;
70 provided, however, that a qualified individual shall not notify any designated third party
71 that is
72 suspected of the financial exploitation or other abuse of the eligible adult.

73 Section 4. A qualified individual who, in good faith, exercising reasonable care, complies
74 with
75 section 3, and did not participate or materially aid the alleged financial exploitation shall
76 be
77 immune from any administrative or civil liability that might otherwise arise from such
78 action.

79 Section 5. A financial institution may delay or stop a disbursement from, or a transaction
80 in
81 connection with, an account of an eligible adult or an account on which an eligible adult
82 is a
83 beneficiary if any qualified individual has reasonable cause to believe that, after initiating
84 an
85 internal review of the requested disbursement or transaction and documenting the
86 suspected

87 financial exploitation, that the requested disbursement or transaction may result in the
88 financial
89 exploitation of the eligible adult, and the financial institution or qualified individual; (i)
90 provides
91 written notification of the delay or stoppage and the reason for the delay or stoppage to
92 all parties
93 authorized to transact business on the account immediately, but in no event more than 2
94 business
95 days after the requested disbursement or transaction, unless any such party is reasonably
96 believed
97 to have engaged in suspected or attempted financial exploitation of the eligible adult; (ii)
98 provides notification of such delay or stoppage to the commissioner not more than 2
99 business
100 days after the requested disbursement or transaction; (iii) the relevant agency; (iv)
101 continues its
102 internal review of the suspected or attempted financial exploitation of the eligible adult,
103 as
104 necessary; (v) provides status updates, a statement of finding and final disposition of an
105 investigation upon request to the relevant agency and qualified individuals; and (vi)
106 reports the

107 investigation's results to the commissioner within 10 business days after the day the
108 financial

109 institution or qualified individual first delayed disbursement of the funds or the
110 transaction. The

111 commissioner shall retain a digital or other record of each notice and report received
112 under

113 clauses (ii), (iii), and (v) respectively, of this section.

114 Section 6. The authorization of any delay or stoppage of a disbursement or transaction
115 pursuant

116 to section 5 shall expire upon the sooner of the determination by the financial institution
117 that the

118 disbursement or transaction will not result in the financial exploitation of the eligible
119 adult, or 21

120 business days after the date on which the financial institution delayed or stopped
121 disbursement of

122 the funds or a transaction, unless the commissioner or either of the other agencies
123 requests that

124 the financial institution extend the delay, in which case the delay shall expire no more
125 than 30

126 business days after the date on which the financial institution first delayed or stopped

127 disbursement of the funds or a transaction unless otherwise terminated or further
128 extended by

129 either of the other agencies or an order of a court of competent jurisdiction.

130 A court of competent jurisdiction may enter an order extending the delay or stoppage of a
131 disbursement of funds or transaction pursuant to this section, or may order other
132 protective relief,

133 upon the petition of (i) the commissioner; (ii) the disabled persons protection commission
134 established pursuant to section 2 of said chapter 19C, as so appearing, if the eligible adult

135 is

136 under the age of 60, or the executive office of elder affairs, if the eligible adult is 60 years
137 or

138 older; (iii) a financial institution or qualified individual that initiated the delay pursuant to
139 this

140 section; or (4) another interested party.

141 Section 7. A court of competent jurisdiction may order a financial institution or qualified
142 individual to provide access to or copies of records that are relevant to the suspected or
143 attempted

144 financial exploitation of an eligible adult to the commissioner, the disabled persons
145 protection

146 commission established pursuant to section 2 of said chapter 19C, as so appearing, if the
147 eligible

148 adult is under the age of 60, or the executive office of elder affairs, if the eligible adult is
149 60

150 years or older, and law enforcement, either as part of a referral or to law enforcement
151 pursuant

152 to an investigation. Such records may include historical records and records pertaining to
153 the

154 most recent disbursement or transactions related to the suspected or attempted financial

155 exploitation of an eligible adult. Records made available to the agencies pursuant to this
156 section

157 shall not be considered public records as defined in section 7 of chapter 4 or chapter 66 of
158 the

159 General Laws, as so appearing, and shall not be available for public examination.

160 Section 8. A financial institution or qualified individual which, in good faith, exercising

161 reasonable care, complies with this chapter, and did not participate or materially aid the
162 alleged

163 financial exploitation shall be immune from any administrative or civil liability that

164 might

165 otherwise arise from such action.

166 Section 9. Nothing in this chapter shall limit or otherwise impede the authority of the

167 secretary of

168 the Commonwealth from accessing or examining the books and records of a broker-

169 dealer or

170 investment adviser as otherwise provided by law or conducting any lawful investigation

171 into

172 potential violations of chapter 110A of the General Laws, as so appearing.

173 SECTION 2. The General Laws are hereby amended by inserting after chapter 110H the

174 following chapter:-

175 CHAPTER 110I FINANCIAL EXPLOITATION OF VULNERABLE ADULTS

176 UNDER

177 BROKER-DEALER RELATIONSHIP

178 Section 1. As used in this chapter the following words shall, unless the context clearly

179 requires

180 otherwise, have the following meanings:-

181 “Agencies”, (i) the secretary of the Commonwealth and (ii) the disabled persons

182 protection

183 commission established pursuant to section 2 of said chapter 19C, as so appearing, if the
184 eligible

185 adult is under the age of 60, or the executive office of elder affairs, if the eligible adult is
186 60

187 years or older.

188 “Agent, as defined pursuant to section 401 of said chapter 110A, as so appearing.

189 “Broker-Dealer”, as defined pursuant to section 401 of said chapter 110A, as so
190 appearing.

191 “Eligible adult”, a person 60 years of age or older or a disabled person, as defined
192 pursuant to

193 section 1 of chapter 19C, as so appearing.

194 “Financial exploitation”, (i) the wrongful or unauthorized taking, withholding,
195 appropriation, or

196 use of money, assets, or property of an eligible adult; or (ii) any act or omission taken by
197 a

198 person, including through the use of a power of attorney, guardianship, or
199 conservatorship of an

200 eligible adult, to: (A) obtain control, through deception, intimidation or undue influence,
201 over the

202 eligible adult's money, assets, or property to deprive the eligible adult of the ownership,
203 use,

204 benefit, or possession of his or her money, assets, or property; or (B) by the use of any
205 unethical

206 or dishonest conduct; or (C) convert money, assets, or property of the eligible adult to
207 deprive

208 such eligible adult of the ownership, use, benefit, or possession of his or her money,
209 assets, or

210 property.

211 "Financial institution", (a) any bank, trust company, co-operative bank or savings bank, if
212 organized or exists under the laws of the Commonwealth or any other state or may
213 transact

214 business in the Commonwealth, a national bank, federal savings bank or federal savings
215 and loan

216 association, or any credit union that is organized or exists under the laws of the
217 Commonwealth

218 or any other state, or federal credit union or may transact business in the Commonwealth,
219 as

220 defined by section 1 of chapter 167 or section 1 of chapter 171 of the General Laws, as so

221 appearing.

222 “Investment adviser”, as defined pursuant to section 401 of said chapter 110A, as so
223 appearing.

224 “Investment adviser representative, as defined pursuant to section 401 of said chapter
225 110A, as

226 so appearing.

227 “Qualified investment individual”

228 , (i) any agent, broker-dealer, investment adviser, investment-

229 adviser representative, broker-dealer, or person who serves in a supervisory, compliance,
230 investor

231 protection or legal capacity for a broker-dealer or investment adviser, and (ii) employees
232 eligible

233 for immunity in accordance with the Senior Safe Act of 2018.

234 Section 2. If a qualified investment individual reasonably believes that the financial
235 exploitation

236 of an eligible adult may have occurred, may have been attempted, or is being attempted,
237 the

238 qualified investment individual shall promptly notify the (i) secretary of the
239 Commonwealth and

240 (ii) the disabled person protection commission established pursuant to section 2 of said
241 chapter
242 19C, as so appearing, if the eligible adult is under the age of 60, or the executive office of
243 elder
244 affairs, if the eligible adult is 60 years or older.

245 Section 3. A qualified investment individual who in good faith, exercising reasonable
246 care, and
247 did not participate or materially aid the alleged financial exploitation makes a disclosure
248 of
249 information pursuant to section 2 shall be immune from administrative or civil liability
250 that
251 might otherwise arise from such disclosure or for any failure to notify the customer of the
252 disclosure.

253 Section 4. If a qualified investment individual, acting in good faith and exercising
254 reasonable
255 care, believes that financial exploitation of an eligible adult may have occurred, may have
256 been
257 attempted, or is being attempted, a qualified investment individual may notify any third
258 party

259 previously designated by the eligible adult or reasonably associated with the adult
260 permitted

261 under state or federal law, regulation or the rules of a self-regulatory organization;
262 provided,

263 however, that a qualified investment individual shall not notify any designated third party
264 that is
265 suspected of the financial exploitation or other abuse of the eligible adult.

266 Section 5. A qualified investment individual who, in good faith, exercising reasonable
267 care,

268 complies with section 4 and did not participate or materially aid the alleged financial
269 exploitation

270 shall be immune from any administrative or civil liability that might otherwise arise from
271 such

272 disclosure.

273 Section 6. A financial institution may delay or stop a disbursement or transaction from an
274 account of an eligible adult or an account on which an eligible adult is a beneficiary if (i)

275 a

276 qualified investment individual has reasonable cause to believe that, after initiating an
277 internal

278 review of the requested disbursement or transaction and the suspected financial
279 exploitation, that

280 the requested disbursement or transaction may result in the financial exploitation of the
281 eligible

282 adult, and the (ii) qualified investment individual:

283 (A) provides written notification of the delay and the reason for the delay to all parties
284 authorized

285 to transact business on the account immediately, but in no event more than 2 business
286 days after

287 the delayed disbursement or transaction, unless any such party is reasonably believed to
288 have

289 engaged in suspected or attempted financial exploitation of the eligible adult;

290 (B) provides notification of such delay to the agencies immediately but in no event not
291 more than

292 2 business days after the delayed disbursement or transaction; and,

293 (C) continues its internal review of the suspected or attempted financial exploitation of
294 the

295 eligible adult, as necessary, and provides status updates, a statement of finding and final
296 disposition of an investigation upon request to the agencies and to qualified individuals.

297 Section 7. The authorization of any delay or stoppage of a disbursement or transaction
298 pursuant
299 to section 6 shall expire upon the sooner of: (i) the determination by the financial
300 institution or
301 qualified investment individual that the disbursement or transaction will not result in the
302 financial exploitation of the eligible adult; or, (ii) 21 days from the date the financial
303 institution
304 or qualified investment individual delayed disbursement of the funds or a transaction,
305 unless
306 either of the agencies requests that the financial institution extend the delay, in which
307 case the
308 delay shall expire no more than 30 business days after the date on which the financial
309 institution
310 first delayed disbursement of the funds or a transaction, unless otherwise terminated or
311 further
312 extended by either of the agencies or an order of a court of competent jurisdiction.
313 A court of competent jurisdiction may enter an order extending the delay of a
314 disbursement of
315 funds or transaction pursuant to this section, or may order other protective relief, upon the

316 petition of (i) the secretary of the Commonwealth (ii) the disabled persons protection
317 commission established pursuant to section 2 of said chapter 19C, as so appearing, if the
318 eligible
319 adult is under the age of 60, or the executive office of elder affairs, if the eligible adult is
320 60
321 years or older; (iii) the financial institution or qualified investment individual that
322 initiated the
323 delay pursuant to this section; or (iv) another interested party.

324 Section 8. A court of competent jurisdiction may order a financial institution, or qualified
325 investment individual to provide access to or copies of records that are relevant to the
326 suspected
327 or attempted financial exploitation of an eligible adult to the state secretary, the disabled
328 persons
329 protection commission established pursuant to section 2 of said chapter 19C, as so
330 appearing, if
331 the eligible adult is under the age of 60, or the executive office of elder affairs, if the
332 eligible
333 adult is 60 years or older, and law enforcement, either as part of a referral or to law
334 enforcement,

335 or upon request of the agency or law enforcement pursuant to an investigation. Such
336 records may
337 include historical records and records pertaining to the most recent disbursement or
338 transactions
339 related to the suspected or attempted financial exploitation of an eligible adult. Records
340 made
341 available to agencies pursuant to this section shall not be considered public records as
342 defined in
343 said section 7 of said chapter 4 or said chapter 66, as so appearing, and shall not be
344 available for
345 public examination.

346 Section 9. A financial institution or qualified investment individual who, in good faith,
347 exercising reasonable care, complies with this chapter and did not participate or
348 materially aid

349 the alleged financial exploitation shall be immune from any administrative or civil
350 liability that
351 might otherwise arise from such action.

352 Section 10. Notwithstanding Section 9, nothing in Section 9 shall limit or shield, in any
353 manner,

354 a qualified individual from any administrative or civil liability for any claim, for
355 participating in
356 or materially aiding the financial exploitation of an eligible adult. Any such civil claim
357 may be
358 asserted by the eligible adult, or on his or her behalf by an appropriate guardian or
359 representative
360 who is not involved in or otherwise suspected of participating in the financial exploitation
361 of the
362 eligible adult, by filing a civil action in a court of competent jurisdiction. Such a claimant
363 shall
364 have the burden of proving that the defendant is not eligible for the immunity provided in
365 Section 9.
366 Section 11. Nothing in this chapter shall limit or otherwise impede the authority of the
367 secretary
368 of the Commonwealth from accessing or examining the books and records of a financial
369 institution as otherwise provided by law or conducting any lawful investigation into
370 potential
371 violations of said chapter 110A, as so appearing.