

**HOUSE . . . . . No.**

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**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>

**HOUSE . . . . . No.**

[Pin Slip]

**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.

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6           Section 1. (The following words, whenever used in this chapter shall have the definitions

7  
8           set forth herein, unless context otherwise requires) as used in this chapter, the following  
9 words shall, unless the context clearly requires otherwise, have the following meanings:-

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

12 Commonwealth that is charged with the investigation of abuse, neglect, or exploitation of  
13 (a)  
14 elder adults or (b) a disabled person, as defined in section 1 of chapter 19C.

15  
16 “Commissioner” means the Commissioner of the Division of Banks or their designee

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

19

20 “Financial exploitation” means (a) the wrongful or unauthorized taking, withholding,  
21 appropriation, or use of money, assets, or property of an eligible adult; or (b) any act or  
22 omission

23 taken by a person, including through the use of a power of attorney, guardianship, or  
24 conservatorship of an eligible adult, to: (1) obtain control, use, or benefit of the eligible  
25 adult’s

26 money, assets, or property to deprive the eligible adult of the ownership, use, benefit, or  
27 possession of his or her money, assets, or property through deception, intimidation, or  
28 undue

29 influence, or by the use of any unethical or dishonest conduct; or (2) convert money,  
30 assets, or

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

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

40

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

45

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

48 exploitation of an eligible adult may have occurred, may have been attempted, or is being  
49 attempted, then the financial institution or qualified individual may notify:

50

51 the Commissioner; and  
52 any relevant adult protective services agency.

53

54 Section 3. Under section 2, notification shall be made by written communication

55 or by form as issued by the Commissioner. Such notice shall include, to the extent

56 possible: (1) the

57 name and address of the eligible adult; (2) the name and address of the eligible adult's

58 caretaker;

59 (3) the age of the eligible adult; (4) the nature and extent of the eligible adult's potential

60 or actual

61 injury or condition resulting from the financial exploitation; (5) any other pertinent

62 information;

63 and (6) any additional information that is required by a rule adopted or form or order

64 issued by

65 the Commissioner.

66

67 Section 4. If a financial institution or qualified individual, acting in good faith and

68 exercising reasonable care, believes that the financial exploitation of an eligible adult may have

69 occurred, may have been attempted, or is being attempted, then a qualified individual may notify

70 any third party previously designated by the eligible adult; provided, however, that a qualified  
71 individual shall not notify any designated third party that is suspected of the financial  
72 exploitation or other abuse of the eligible adult.

73

74 Section 5. A financial institution may delay a disbursement from, or a transaction in  
75 connection with, an account of an eligible adult or an account on which an eligible adult is a  
76 beneficiary if any qualified individual has reasonable cause to believe that, after initiating an  
77 internal review of the requested disbursement or transaction and the suspected financial  
78 exploitation, that the requested disbursement or transaction may result in the financial  
79 exploitation of

80 the eligible adult, and the financial institution or qualified individual:

81

82 (a) Provides written notification of the delay and the reason for the delay to all parties

83 authorized to transact business on the account not more than 2 business days after the  
84 requested

85 disbursement or transaction, unless any such party is reasonably believed to have  
86 engaged in suspected or attempted

87 financial exploitation of the eligible adult;

88

89 (b) Provides notification of such delay to the Commissioner not more than 2 business  
90 days after the requested

91 Disbursement or transaction; and

92

93 (c) Continues its internal review of the suspected or attempted financial exploitation of  
94 the

95 eligible adult, as necessary, and reports the investigation's results to the commissioner  
96 within 10 business

97 days after the day the financial institution or qualified individual first delayed  
98 disbursement of the funds or the transaction.

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100 The Commissioner shall retain a digital or other record of each notice and report received  
101 under clauses (b) and (c), respectively, of this section

102

103 Section 6. The authorization of any delay of a disbursement or transaction pursuant to  
104 section 5 shall expire immediately upon the sooner of:

105 the determination by the financial institution that the disbursement or transaction will not  
106 result in the financial exploitation of the eligible adult; or,

107           21 business days after the date on which the financial institution first delayed the  
108 requested disbursement or transaction.

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

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115           Section 7. A financial institution or qualified individual shall provide access to or copies  
116 of records that are relevant to the suspected or attempted financial exploitation of an eligible  
117 adult to the Commissioner, adult protective service agency, or law enforcement pursuant to an  
118 investigation. Such records may include historical records and records pertaining to a  
119 disbursement or transaction related to the suspected or attempted financial exploitation of an  
120 eligible adult. Records made available pursuant to this section shall not be public records and  
121 shall not be available for public examination.

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

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