

SENATE No. 741

The Commonwealth of Massachusetts

PRESENTED BY:

Paul R. Feeney

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 seniors and adults with disabilities from financial exploitation.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Paul R. Feeney</i>	<i>Bristol and Norfolk</i>	
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>	<i>2/10/2025</i>
<i>Marcus S. Vaughn</i>	<i>9th Norfolk</i>	<i>2/13/2025</i>
<i>Steven S. Howitt</i>	<i>4th Bristol</i>	<i>2/13/2025</i>
<i>Brian M. Ashe</i>	<i>2nd Hampden</i>	<i>3/3/2025</i>

SENATE No. 741

By Mr. Feeney, a petition (accompanied by bill, Senate, No. 741) of Paul R. Feeney, James B. Eldridge, Marcus S. Vaughn, Steven S. Howitt and others for legislation to protect seniors and adults with disabilities from financial exploitation. Financial Services.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. 2460 OF 2023-2024.]

The Commonwealth of Massachusetts

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

An Act protecting seniors and adults with disabilities 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 110H the following
2 chapter:-

3 Chapter 110I. FINANCIAL EXPLOITATION OF SENIORS AND ADULTS WITH
4 DISABILITIES

5 Section 1. The following words, whenever used in this chapter shall have the definitions
6 set forth herein, unless context otherwise requires:

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

“Agent” shall have the same meaning as in section 401 of chapter 110A.

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

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

“Financial institution” means (a) any broker-dealer as defined under section 401 of chapter 110A, (b) any investment adviser as defined under section 401 of chapter 110A, and (c) any bank chartered by the commonwealth under chapter 168, 170, 171 or 172.

“Investment adviser representative” shall have the same meaning as in section 401 of chapter 110A.

“Qualified individual” means any agent, investment adviser representative, bank employee, or person who serves in a supervisory, compliance, or legal capacity for a financial institution.

“Secretary” means the Secretary of the Commonwealth or his or her designee.

31 Section 2. If a qualified individual has reasonable cause to believe that the financial
32 exploitation of an eligible adult may have occurred, may have been attempted, or is being
33 attempted, then the qualified individual shall promptly notify the Secretary and any relevant
34 adult protective services agency.

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

42 Section 4. If a qualified individual has reasonable cause to believe that the financial
43 exploitation of an eligible adult may have occurred, may have been attempted, or is being
44 attempted, then a qualified individual may notify any third party previously designated by the
45 eligible adult; provided, however, that a qualified individual shall not notify any designated third
46 party that is suspected of the financial exploitation or other abuse of the eligible adult.

47 Section 5. (1) A financial institution may delay a disbursement from, or a transaction in
48 connection with, an account of an eligible adult or an account on which an eligible adult is a
49 beneficiary if any qualified individual has reasonable cause to believe that, after initiating an
50 internal review of the requested disbursement or transaction and the suspected financial
51 exploitation, the requested disbursement or transaction may result in the financial exploitation of
52 the eligible adult.

(2) If a financial institution delays a disbursement or transaction under this section, the financial institution shall: (a) immediately, and in no event more than two business days after the requested disbursement or transaction was delayed, provide written notification of the delay and the reason for the delay to all parties authorized to transact business on the account, unless there is reasonable cause to believe such party engaged in the suspected or attempted financial exploitation of the eligible adult; (b) immediately, and in no event more than two business days after the requested disbursement or transaction was delayed, notify the Secretary and any relevant adult protective services agency pursuant to section 3; and (c) continue an internal review of the suspected or attempted financial exploitation of the eligible adult, as necessary, and report the investigation's results to the Secretary and any relevant adult protective services agency within 7 business days of the requested disbursement or transaction.

(3) The authorization of any delay of a disbursement or transaction pursuant to this section shall expire upon the sooner of: (a) the determination by the financial institution that the disbursement or transaction will not result in the financial exploitation of the eligible adult; or (b) 15 business days after the date on which the financial institution first delayed the requested disbursement or transaction. A court of competent jurisdiction may enter an order extending the delay of a disbursement or transaction under this section, or may order other protective relief, upon the petition of the Secretary; adult protective services agency; a financial institution that initiated the delay under this section; or other interested party.

Section 6. A financial institution shall provide access to or copies of records that are relevant to the suspected or attempted financial exploitation of an eligible adult to the Secretary, adult protective service agency, or law enforcement pursuant to an investigation. Such records may include historical records and records pertaining to a disbursement or transaction related to

the suspected or attempted financial exploitation of an eligible adult. Records made available pursuant to this section shall not be public records and shall not be available for public examination.

Section 7. Nothing in this chapter shall limit or otherwise impede the authority of the Secretary from accessing or examining the books and records of a broker-dealer or investment adviser as otherwise provided by law or conducting any lawful investigation into potential violations of chapter 110A.

Section 8. A qualified individual that, in good faith and exercising reasonable care, complies with this chapter shall be immune from any administrative or civil liability that might otherwise arise from such action. Notwithstanding the foregoing, nothing in this section shall limit or shield, in any manner, a qualified individual from any administrative or civil liability for any claim, or for reasonable attorneys' fees, costs, and litigation expenses related to such claim, for participating in or materially aiding the financial exploitation of an eligible adult. Any such civil claim may be asserted by the eligible adult, or on his or her behalf by an appropriate guardian or representative who is not involved in or otherwise suspected of participating in the financial exploitation of the eligible adult, by filing a civil action in a court of competent jurisdiction.