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# A BILL FOR AN ACT

RELATING TO FINANCIAL ABUSE.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Reported instances of financial abuse of elders  
2 have become increasingly widespread throughout the United  
3 States. As one means by which to attempt to curtail this  
4 disturbing trend, it is the intent of the legislature to impose,  
5 on state-regulated financial institutions, a mandatory duty to  
6 report promptly suspected incidents of financial abuse to local  
7 law enforcement agencies or the department of human services, so  
8 that those agencies can determine whether further investigation  
9 or other action is warranted.

10           SECTION 2. Chapter 412, Hawaii Revised Statutes, is  
11 amended by adding a new section to be appropriately designated  
12 and to read as follows:

13           "**§412: Mandatory reporting of suspected financial abuse**  
14 **of an elder.** (a) A financial institution shall report  
15 suspected financial abuse that is directed towards, targets, or  
16 is committed against an elder to a local law enforcement agency  
17 or the department of human services, under the authority of  
18 chapter 346, part X, if:



1       (1) In connection with providing financial services with  
2       the elder, the officer or employee of a financial  
3       institution:

4       (A) Has direct contact with the elder; or

5       (B) Reviews or approves the elder's financial  
6       documents, records, or transactions;

7       and

8       (2) The officer or employee, within the scope of  
9       employment or professional practice:

10       (A) Observed or has knowledge of an incident the  
11       officer or employee believes in good faith  
12       appears to be financial abuse; or

13       (B) In the case of officers or employers who do not  
14       have direct contact with the elder, has a good  
15       faith suspicion that financial abuse has occurred  
16       or may be occurring, based solely on the  
17       information present at the time of reviewing or  
18       approving the document, record, or transaction.

19       (b) Suspected financial abuse shall be reported to a local  
20       law enforcement agency or the department of human services,  
21       under the authority of chapter 346, part X, by telephone



1 immediately and by written report sent within five business  
2 days.

3 (c) Notwithstanding any other state law to the contrary,  
4 including but not limited to laws concerning confidentiality,  
5 any person, including the financial institution, who, in good  
6 faith believes that the action is warranted by facts known to  
7 that person, participates in the making of a report pursuant to  
8 this section, shall have immunity from any liability, civil or  
9 criminal, that might be otherwise incurred or imposed by or as a  
10 result of the making of the report. Any person making the  
11 report shall have the same immunity with respect to  
12 participation in any judicial proceeding resulting from the  
13 report."

14 SECTION 3. Section 412:1-109, Hawaii Revised Statutes, is  
15 amended by adding two new definitions to be appropriately  
16 inserted and to read as follows:

17 "Elder" means a person who is age sixty-two years or  
18 older.

19 "Financial abuse" means financial or economic  
20 exploitation."

21 SECTION 4. New statutory material is underscored.

22 SECTION 5. This Act shall take effect on January 1, 2112.



**Report Title:**

Financial Institutions; Financial Abuse

**Description:**

Requires financial institutions to report suspected instances of financial abuse directed towards, targeting, or committed against an elder to a local law enforcement agency or the department of human services. (SB1400 HD2)

