
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 financial institutions a duty to promptly report suspected
6 incidents of financial abuse to local law enforcement agencies,
7 so that those agencies can determine whether further
8 investigation or other action is warranted.

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

12 "§412: Mandatory reporting of suspected financial abuse
13 of an elder. (a) A financial institution shall report to a
14 local law enforcement agency suspected financial abuse that is
15 directed towards, targets, or is committed against an elder if:



1 (1) In connection with providing financial services to the
2 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) Observes 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
20 immediately to a local law enforcement agency by telephone and
21 by written report sent within five business days.



1 (c) Notwithstanding any other state law to the contrary,
2 including but not limited to laws concerning confidentiality,
3 any person, including the financial institution, who:

4 (1) Participates in the making of a report pursuant to
5 this section; and

6 (2) Believes, in good faith, that the action is warranted
7 by facts known to that person,
8 shall have immunity from any liability, civil or criminal, that
9 might be otherwise incurred or imposed by or as a result of the
10 making of the report. Any person making the report shall have
11 the same immunity with respect to participation in any judicial
12 proceeding resulting from the report.

13 (d) For the purposes of this section:

14 "Elder" means a person who is sixty-two years of age or
15 older.

16 "Financial abuse" means the wrongful taking,
17 withholding, appropriation, or use of an elder's money, real
18 property, or personal property or any attempt or inducement to
19 commit such acts. Financial abuse may involve coercion,
20 manipulation, threats, intimidation, misrepresentation, or
21 exertion of undue influence."



1 SECTION 3. New statutory material is underscored.

2 SECTION 4. 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. (SB1400 HD3)

