
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 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; and

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

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

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

18 (b) Suspected financial abuse shall be reported to a local
19 law enforcement agency or the department of human services by
20 telephone immediately and by written report sent within five
21 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, in good
4 faith believes that the action is warranted by facts known to
5 that person, participates in the making of a report pursuant to
6 this section, shall have immunity from any liability, civil or
7 criminal, that might be otherwise incurred or imposed by or as a
8 result of the making of the report. Any person making the
9 report shall have the same immunity with respect to
10 participation in any judicial proceeding resulting from the
11 report."

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

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

17 "Financial abuse" means financial or economic
18 exploitation."

19 SECTION 4. New statutory material is underscored.

20 SECTION 5. This Act shall take effect upon its approval.



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. (SD2)

