

# SB2807

Measure Title: RELATING TO FINANCIAL ABUSE OF ELDERS.

Report Title: Financial Abuse; Elder

Description: Amend section 412:3-114.5, Hawaii Revised Statutes, to require financial institutions to report instances of suspected financial abuse of an elder directly to the appropriate police department instead of the Department of Human Services.

Companion: HB2545

Package: Gov

Current Referral: HMS/CPN, JDL

Introducer(s): TSUTSUI (BR)



STATE OF HAWAII  
DEPARTMENT OF HUMAN SERVICES  
P. O. Box 339  
Honolulu, Hawaii 96809-0339

February 7, 2012

**MEMORANDUM**

TO: The Honorable Suzanne Chun Oakland, Chair  
Senate Committee on Human Services

FROM: Patricia McManaman, Director

SUBJECT: **S.B. 2807 - RELATING TO FINANCIAL ABUSE OF ELDERS**

Hearing: Tuesday, February 7, 2012; 1:15 p.m.  
Conference Room 016, State Capitol

**PURPOSE:** The purpose of S.B. 2807 is to require financial institutions to report instances of suspected financial abuse of an elder directly to the appropriate police department instead of the Department of Human Services (DHS).

**DEPARTMENT'S POSITION:** DHS strongly supports this Administration-sponsored bill.

DHS does not have the legal authority to directly seek judicial authorization to seize documents, freeze accounts or take other measures to immediately secure financial assets that may be at risk. Additionally, the DHS is without trained staff who have the expertise to review the complex financial records and transactions for the financial abuse cases identified by financial institutions.

Finally, the DHS does not conduct criminal investigations, nor does it prosecute crimes. The appropriate entity to receive reports of suspected financial abuse from financial institutions is the local police department which has investigators and legal

remedies at its disposal to immediately stop access to an elder's financial accounts when warranted.

Thank you for the opportunity to provide comments on this bill.



NEIL ABERCROMBIE  
GOVERNOR

BRIAN SCHATZ  
LT. GOVERNOR

STATE OF HAWAII  
OFFICE OF THE DIRECTOR  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
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KEALI'I S. LOPEZ  
DIRECTOR

TO THE  
SENATE COMMITTEES ON  
HUMAN SERVICES  
AND  
COMMERCE AND CONSUMER PROTECTION

THE TWENTY-SIXTH STATE LEGISLATURE  
REGULAR SESSION 2012

Tuesday, February 7, 2012  
1:15 p.m.

TESTIMONY ON S.B. 2807  
RELATING TO FINANCIAL ABUSE OF ELDERS

TO THE HONORABLE SUZANNE CHUN OAKLAND, CHAIR,  
AND THE HONORABLE ROSALYN H. BAKER, CHAIR,  
AND MEMBERS OF THE COMMITTEES:

My name is Iris Ikeda Catalani, Commissioner of Financial Institutions  
("Commissioner"). I appreciate the opportunity to provide comments on behalf of the  
Department of Commerce and Consumer Affairs ("Department") regarding Senate Bill  
No. 2807.

This measure requires financial institutions to report instances of suspected financial abuse of an elder directly to the appropriate police department instead of the Department of Human Services.

The Department supports the intent of this bill, as we know that financial institutions appreciate the consequences of financial abuse on elders. When this law was first established, the DHS wanted to know which elders may be victims of financial abuse so that they could cross-reference names in their database, thus the reporting of these suspected cases were reported to DHS, then to the appropriate county police departments if the DHS did not have a case on the alleged victim (elder).

For the financial institutions, we would like to have clarification on what type of reporting is required in the telephone call and subsequently for the written report. We believe there will be confusion on the part of financial institution staff if they do not know how to report these suspected incidences of financial abuse to the appropriate police departments. In addition we seek clarification on what the police departments require in the written reports and whether the financial institutions are able to share the type of information sought by the appropriate police departments.

We understand that DHS does not have the power to stop financial abuse of an elder, consequently, they believe the reporting should be given to a more appropriate government agency.

TESTIMONY ON SENATE BILL NO. 2807  
February 7, 2012, 1:15 p.m.  
Page 3

Consequently, we are in contact with the Departments of the Prosecuting Attorneys for the respective counties in order to work a resolution to the reporting requirement. We will provide more information after our meeting.

Thank you for the opportunity to provide comments on Senate Bill 2807. I will be available to respond to any questions.

NEIL ABERCROMBIE  
GOVERNOR OF HAWAII



WESLEY LUM, PhD, MPH  
DIRECTOR

LORETTA FUDDY, ACSW, MPH  
DIRECTOR OF HEALTH

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**Committee on Human Services**

**Committee on Commerce and Consumer Protection**

**SB2807, RELATING TO FINANCIAL ABUSE OF ELDERS**

**Testimony of Wes Lum  
Director, Executive Office on Aging  
Attached Agency to Department of Health**

**Tuesday, February 7, 2012; Conference Room 016**

**1:15 p.m.**

1 **EOA's Position:** The Executive Office on Aging (EOA) strongly supports this measure.

2 **Purpose and Justification:** SB2807 is part of the Governor Abercrombie's Administrative Bill

3 Package. This measure will make it mandatory for any officer or employee of a financial

4 institution to report a suspected incident of financial abuse within two working days directly to the

5 appropriate police department instead of the Department of Human Services (DHS). The police

6 department, rather than DHS, has the expertise to properly investigate instances of financial abuse.

7 This bill will make for a more efficient and effective mechanism to report suspected financial

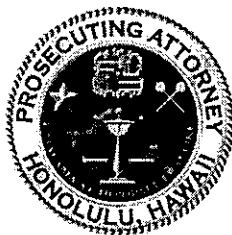
8 abuse committed against Hawaii's older adults. Thank you for the opportunity to testify.

DEPARTMENT OF THE PROSECUTING ATTORNEY  
**CITY AND COUNTY OF HONOLULU**

ALII PLACE  
1060 RICHARDS STREET • HONOLULU, HAWAII 96813  
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KEITH M. KANESHIRO  
PROSECUTING ATTORNEY

ARMINA A. CHING  
FIRST DEPUTY PROSECUTING ATTORNEY



**THE HONORABLE SUZANNE CHUN OAKLAND, CHAIR  
SENATE COMMITTEE ON HUMAN SERVICES**

**THE HONORABLE ROSALYN H. BAKER, CHAIR  
SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION**

**Twenty-sixth State Legislature  
Regular Session of 2012  
State of Hawai'i**

February 7, 2012

**RE: S.B. 2807; RELATING TO FINANCIAL ABUSE OF ELDERS.**

Chair Chun-Oakland, Vice Chair Ihara, Chair Baker, Vice-Chair Taniguchi, members of the Senate Committee on Human Services, and members of the Senate Committee on Commerce and Consumer Protection, the Department of the Prosecuting Attorney, City and County of Honolulu, submits the following testimony in support of Senate Bill 2807.

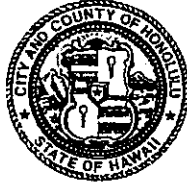
The Department agrees that it would be appropriate for suspected financial abuse to be reported to the local police departments, which may be better equipped to investigate or intervene in those cases expeditiously, and better equipped to participate in the criminal prosecution of those cases. It is our understanding that police departments already have the ability to—and do—notify the Department of Human Services, when appropriate for D.H.S. to follow-up with relevant services.

For these reasons, the Department of the Prosecuting Attorney of the City and County of Honolulu supports S.B. 2807. Thank for you the opportunity to testify on this matter.



POLICE DEPARTMENT  
CITY AND COUNTY OF HONOLULU

801 SOUTH BERETANIA STREET • HONOLULU, HAWAII 96813  
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PETER B. CARLISLE  
MAYOR

LOUIS M. KEALOHA  
CHIEF

DAVE M. KAJIHIRO  
MARIE A. McCAULEY  
DEPUTY CHIEFS

OUR REFERENCE RC-NTK

February 7, 2012

The Honorable Rosalyn H. Baker, Chair  
and Members  
Committee on Human Services  
State Senate  
State Capitol  
Honolulu, Hawaii 96813

Dear Chair Baker and Members:

Subject: Senate Bill No. 2807, Relating to Financial Abuse of Elders

I am Lester Hite, Captain of the Criminal Investigation Division of the Honolulu Police Department, City and County of Honolulu.

The Honolulu Police Department supports Senate Bill No. 2807, Relating to Financial Abuse of Elders.

Human life expectancy has increased over the years with the advancements in medical technology. Many elderly persons prefer to live at home under the care of a family member or caregiver. Having the financial institutions report suspected elderly financial abuse directly to law enforcement will prevent delays in the crime reporting process and the commencement of an investigation.

The Honolulu Police Department urges you to support Senate Bill No. 2807, Relating to Financial Abuse of Elders.

Thank you for the opportunity to testify.

Sincerely,

A handwritten signature in cursive script that reads "Lester Hite".

LESTER HITE, Captain  
Criminal Investigation Division

APPROVED:

A handwritten signature in cursive script that reads "Louis M. Kealoa".

LOUIS M. KEALOHA  
Chief of Police

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, January 30, 2012 1:30 PM  
**To:** HMS Testimony  
**Cc:** rachel@hawaiishoppingcenter.com  
**Subject:** Testimony for SB2807 on 2/7/2012 1:15:00 PM

Testimony for HMS/CPN 2/7/2012 1:15:00 PM SB2807

Conference room: 016  
Testifier position: Support  
Testifier will be present: Yes  
Submitted by: Rachelle Nobriga  
Organization: Individual  
E-mail: [rachel@hawaiishoppingcenter.com](mailto:rachel@hawaiishoppingcenter.com) Submitted on: 1/30/2012

Comments:

RELATING TO FINANCIAL ABUSE OF ELDERS.

Amend section 412:3-114.5, Hawaii Revised Statutes, to require financial institutions to report instances of suspected financial abuse of an elder directly to the appropriate police department instead of the Department of Human Services.

Stealing from anyone, especially the Elder, by ANYONE (even the Elder's Own Children) through manipulation+isolation+threats+bullying++++

Should be a CRIME, and IS A CRIME, and the Abuser should be treated, arrested and prosecuted as a CRIMINAL.

I do NOT believe DHS needs to be involved.

THIS IS A CRIME to be handled by the POLICE & PROSECUTING ATTORNEY'S OFFICE.

Criminals usually isolate Elder Victim and prevent others from helping.

Financial Institutions should work directly with Police & Prosecuting Attorney's Office in their efforts to resolve the matter.

Once the CRIMINALS (Caretaker/Dishonest Children) are Removed then other family members can step in to help the Elder Victim.