



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

March 12, 2013

**MEMORANDUM**

TO: The Honorable Mele Carroll, Chair  
House Committee on Human Services

FROM: Patricia McManaman, Director

SUBJECT: **S.B. 102, S.D. 2 - RELATING TO THE ELDERLY**

Hearing: Tuesday, March 12, 2013; 9:30 a.m.  
Conference Room 329, State Capitol

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

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) supports this bill. The Department of Human Services has worked throughout this session with stakeholders to advance the intent of this bill, and believes this measure contains substantial agreements between the DHS and community stakeholders.

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

NEIL ABERCROMBIE  
GOVERNOR OF HAWAII

LORETTA FUDDY, ACSW, MPH  
DIRECTOR OF HEALTH



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**Committee on Human Services**

**SB102, SD2, RELATING TO THE ELDERLY**

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

**Tuesday, March 12, 2013; Conference Room 329**

**9:30 a.m.**

1 **EOA's Position:** The Executive Office on Aging (EOA) supports the intent of this bill.  
2 **Purpose and Justification:** Elder financial exploitation is a growing problem in Hawaii.  
3 Financial abuse of elders is frequently accompanied by physical and emotional abuse. It is a  
4 complex problem with both criminal and social components that speaks to the need of a  
5 multidisciplinary solution. The reporting of financial exploitation via the most appropriate channel  
6 and the resulting timeliness of the investigation is crucial to the conservation of assets as well as  
7 the health and safety of the victim. For these reasons EOA supports the Department of Human  
8 Services (DHS) position of dual reporting of financial exploitation to both Adult Protective  
9 Services and local law enforcement.

10 This bill will make for a more efficient and effective mechanism to report suspected  
11 financial abuse committed against Hawaii's older adults. EOA defers to DHS for the  
12 implementation of the statute changes. Thank you for the opportunity to testify.



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Written Testimony  
Submitted to the  
House Committee on Human Services  
Tuesday, March 12, 2013, 9:30 a.m.  
by  
Jerris. R. Hedges  
Dean and Professor  
John A. Burns School of Medicine

### SB 102 SD2 – RELATING TO THE ELDERLY

Chair Carroll, Vice Chair Kobayashi and Members of the Committee:

Faculty of the Department of Geriatric Medicine at the John A. Burns School of Medicine published an article in the *Hawai'i Medical Journal* in 2006, reporting on the cases of 11 patients in Honolulu who were defrauded by so-called “sweepstakes” scams.

The seniors each lost money, in amounts ranging from \$6,600 to \$400,000. Ten of these patients had dementia; most had been diagnosed with Alzheimer’s disease. The year of the study, the Hawai`i chapter of the AARP reported that in a survey of 2,000 of its members, 25% described themselves as having been victimized by financial predators.

The graying of Hawai`i’s population only increases the likelihood that more of our State’s citizens will be victims of financial fraud.

Hawai`i law requires physical abuse of the elderly to be reported to law enforcement. We believe the safety of our kūpuna also demands that financial institutions also report suspected financial abuse and exploitation of our senior citizens.

Mahalo for the opportunity to comment on this important issue.

**TO:** HOUSE COMMITTEE ON HUMAN SERVICES  
Rep. Mele Carroll, Chair

**FROM:** Eldon L. Wegner, Ph.D.

**HEARING:** 9:30 am Tuesday, March 12, 2013  
Conference Room 329, Hawaii State Capitol

**SUBJECT:** SB 102 SD2 RELATING TO THE ELDERLY

**POSITION:** I **support SB102 SD 2** which would require financial institutions to report suspected financial abuse to the appropriate police department and to the Department of Human Services.

**RATIONALE:**

The discussion over various drafts of this bill have indicated that a dual reporting requirement is the best solution. The police departments need notification as soon possible in order to apprehend the perpetrator and to stop the loss of financial resources. However, police departments do not have the human resources or the expertise to investigate the family situation and to undertake needed social work interventions.

Unfortunately, the financial abuse of elders seems to be a growing problem and we need to apply all the tools we have to reducing the incidents and to remedying the situation.

Thank you for allowing me to testify on this bill.

**kobayashi1-Joni**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Friday, March 08, 2013 8:52 PM  
**To:** HUS testimony  
**Cc:** jkon@hawaii.rr.com  
**Subject:** Submitted testimony for SB102 on Mar 12, 2013 09:30AM  
**Attachments:** Testimony.docx

**Categories:** Maroon

**SB102**

Submitted on: 3/8/2013

Testimony for HUS on Mar 12, 2013 09:30AM in Conference Room 329

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
James	Individual	Support	No

**Comments:**

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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Written Testimony in support of SB 102

House Committee on Human Services

March 12, 2013

SB 102 Relating to the Elderly

Aloha. I am writing to thank you for hearing this bill, and to ask you to consider adopting SB 102 or a similar measure to protect our kūpuna.

A member of my extended family was exploited multiple times by a person or persons unknown who drove her to First Hawaiian Bank in Kalihi and had her withdraw several thousand dollars at a time.

The bank repeatedly told us there was “nothing they could do”.

I believe a measure such as this one might provide financial institutions with at least one thing they could do, and that is report the incidents such as these to the police department or other law enforcement agency.

Mahalo, Tina Shelton  
Resident of Moanalua