



To: Members of the Pennsylvania House Commerce Committee

From: PA Bankers Association
PA Association of Community Bankers
CrossState Credit Union Association

Subject: Support for HB 2064

On behalf of the Pennsylvania Bankers Association, the Pennsylvania Association of Community Bankers, and the CrossState Credit Union Association, we urge your support for House Bill 2064 to protect older adults from financial exploitation.

We understand Rep. Munroe plans to offer amendment A04475, which we support.

According to the Consumer Financial Protection Bureau's (CFPB) *"Suspicious Activity Reports on Elder Financial Exploitation: Issues and Trends"* Report (Feb. 2019), incidents of elder abuse have quadrupled since 2013. Financial institutions have filed more than 180,000 suspicious activities reports (SARs) targeting older adults, totaling more than \$6 billion.

Because of their close personal relationships with their customers and members and their communities, banks and credit unions are in the ideal position to identify signs of financial exploitation. Financial institutions are motivated to report suspected exploitation and share a "see something, say something" mindset. However, the lack of a state legal framework for reporting and stopping suspicious transactions, coupled with the absence of liability protections, presents a significant challenge. As a result, banks and credit unions are vulnerable to legal action from disgruntled customers or family members, even when acting in the best interest of consumer protection.

Older adults are at an increased risk for financial exploitation due to steady incomes, accumulated wealth, and retirement savings. Additionally, age-related mental and physical changes increase reliance on others for daily living, and conditions like Alzheimer's disease or other dementia further elevate this risk.

Financial institutions, especially, can detect numerous forms of financial exploitation. Here are some common examples:

- Misuse of income or assets
- Forged and stolen checks
- Investment fraud
- Grandparent/grandchild imposter emergency scams
- Fraudulent use of Power of Attorney privileges

By the year 2030, 27.5% of all Pennsylvanians will be over age 60. It's critical to raise awareness, educate, and empower older adults to know the signs of financial exploitation, how to prevent it and what to do if theft is suspected. In fact, 4 in 5 consumers prefer having accounts with institutions that proactively fight exploitation.

We commend Representatives Hogan and Munroe and the committee for their work on this important legislation. Banks and credit unions stand ready to support efforts in recognizing and responding to financial exploitation of older adults, ensuring the protection of Pennsylvania's vulnerable seniors.