

*132nd Legislature*  
***Senate of***  
***Maine***  
*Senate District 29*

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*Testimony of Senator Anne Carney introducing*  
**LD 1445, “An Act to Prevent Financial Exploitation of Maine Residents 62  
Years of Age or Older,”**

*Before the Joint Standing Committee on Health Coverage, Insurance and Financial Services*  
*Thursday, April 17, 2025*

Senator Bailey, Representative Mathieson and esteemed members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services, I am Senator Anne Carney, proudly representing Senate District 29, which includes South Portland, Cape Elizabeth and part of Scarborough. It is a pleasure to be with you to introduce LD 1445, “An Act to Prevent Financial Exploitation of Maine Residents 62 Years of Age or Older.”

I want to start by assuring you that I do not think that Mainers over the age of 62 are unable to manage their finances or are limited in any way. However, I will acknowledge that as people near or reach retirement, they have assets. It is the likelihood that a 62-year-old has assets, rather than the fact they are 62, that makes them targets of scammers.

My dad, as a very young 85-year-old, a lawyer who started his day doing several crossword puzzles before heading to work as a court auditor for Baltimore County, lost nearly \$10,000 to the “grandparent scam.” True to character, he thought only about the needs of the person pretending to be my son and sent the money off. My dad never reported the crime — and I believe the scammer was located overseas and beyond the reach of law enforcement. On a bittersweet note, when my son learned of the scam he said “Wow — Boppi must really love me.”

I would guess that almost every member of this committee has a family member or friend who has been impacted by a financial scam. According to the FBI’s Internet Crime Complaint Center (IC3), financial crime against individuals over the age of 60 is a serious, expensive and growing problem in the U.S. In 2023 alone, people over 60 made 101,068 complaints to the IC3, for a total reported loss of \$3,427,717,654. That is nearly three and a half *billion* dollars. The value of the losses reported by those over 60 has increased every year from 2018 to 2023, and it is sure to continue to rise if we do not do something to stop it.

Not all of this money flows through banks and credit unions, as some of the scams occur through brokerage or stock accounts. However, many of these fraudulent transactions involve banks and

credit unions — the main place that many Americans interact with their money on a regular basis, especially with cash. In fact, the Financial Crimes Enforcement Network (FinCEN) found that about \$27 billion in reported suspicious activity through banks was linked to elder financial exploitation from June 2022 to June 2023.

In the same statement where they reported this troubling statistic, FinCEN proposed some ways to reduce that number and protect older Americans from financial exploitation. Included in their list were training employees to recognize the signs of financial exploitation, using transaction holds and disbursement delays, and establishing a trusted contact designation process for account holders.

This bill seeks to implement those last two recommendations, including by doing something commonly known as “stop and hold.” Stop and hold works to prevent a suspicious transaction from being executed until more information can be gathered to confirm its legitimacy. This is currently the law in Maine for broker-dealers and investment advisers, but does not extend to banks and credit unions.

Here’s how the process would work under this legislation:

1. The bank or credit union would flag a suspicious transaction, specifically a request for a disbursement or a withdrawal, by an account holder over the age of 62 — an “eligible adult.” This transaction would be placed on hold and delayed while additional information was gathered.
2. The bank or credit union would notify the account holder and any authorized users of the hold within 2 business days.
3. The bank or credit union would notify the Office of the Attorney General of the hold within 2 business days.
4. The bank or credit union would then conduct an internal review of the transaction and report its results to the Office of the Attorney General within 7 days.
5. If additional time is needed to complete the investigation, the bank or credit union could keep the disbursement on hold for up to 15 days, or until the investigation is completed, whichever is sooner.

This would allow for a few things. First, it would allow the person who may be a victim of financial exploitation time to reconsider their transaction. Second, it would allow the bank time to collect additional information to provide to the customer or member about the disbursement. Third, it would allow time for the financial institution to get in touch with other owners of the account or a “trusted contact,” as I will detail shortly. Finally, it creates an opportunity to involve law enforcement if necessary. Above all, it would provide an extra safety feature which could help prevent older Mainers from losing their life savings to a scammer.

The “trusted contact” would be an important safety measure to protect against financial exploitation. The trusted contact process within the bill would allow the account owner to designate someone for the bank or credit union to contact, along with the account owner, when a concern about fraud arises. A trusted contact does not have an ownership interest in the account and cannot authorize transactions, but would simply a second set of eyes on a suspected scam.

While this bill would only apply to those 62 and older, any Maine account holder can designate a trusted contact person, as is clarified by the sponsor's amendment circulated by your analyst earlier this week.

This legislation would instruct financial institutions to create procedures for account holders to designate trusted contacts and for banks and credit unions to get in touch with those trusted contacts in the event of a concerning transaction. It would ensure there is a person who the account holders trusts, who can objectively look at the situation with fresh eyes.

The bottom line, committee members, is that this bill, while it cannot solve the problem of financial exploitation that puts Mainers' hard-earned, well-deserved life savings at risk, it would create a process that could bring exploitation to the attention of account holders, the people they trust, and law enforcement. I will close by encouraging you to ask the bank and credit union representatives here today about the frustration and heartbreak they feel when an account holder is taken in by one of these scams.

Thank you for the opportunity to introduce this bill. I am happy to answer any questions you may have.

A handwritten signature in black ink that reads "Anne". The script is cursive and fluid, with a large initial "A" and a long, sweeping underline.

Anne Carney  
State Senator, District 29

**LD 1445**  
**Proposed Sponsor's Amendment**  
**Proposed by Sponsor Sen. Carney**  
**FOR HCIFS REVIEW at 4/17 Public Hearing**

**SPONSOR'S PROPOSED COMMITTEE AMENDMENT:**  
**LD 1445, An Act to Prevent Financial Exploitation of Maine Residents 62 Years of Age or Older**

Amend the bill in section 4 as follows *[changes are highlighted and shown by double strike through in subsection 1, paragraph C and in subsection 2, first paragraph]*:

Sec. 4. 9-B MRSA §245 is enacted to read:

**§245. Protection of eligible adults from financial exploitation**

**1. Definitions.** For purposes of this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Eligible adult" means an individual 62 years of age or older.

B. "Financial exploitation" means:

(1) The wrongful or unauthorized taking, withholding, appropriation or use of money, assets or property of an eligible adult;

(2) Any act or omission by a person to obtain control, through deception, intimidation or undue influence, over the eligible adult's money, assets or property to deprive the eligible adult of the ownership, use, benefit or possession of the eligible adult's money, assets or property; or

(3) Any act or omission by a person to obtain or exercise unauthorized control over the eligible adult's property with the intent to deprive the eligible adult of the property.

C. "Trusted contact person" means an individual whom an ~~eligible~~ adult identifies and authorizes a financial institution or credit union to contact and disclose information to about the ~~eligible adult's~~ account to address possible financial exploitation or to confirm the specifics of the account holder's current contact information or health status or the identity of any conservator, executor, trustee or holder of a power of attorney.

**2. Designation of trusted contact person.** A financial institution authorized to do business in this State or a credit union authorized to do business in this State may develop a written policy permitting a customer of the financial institution or member of the credit union ~~who is an eligible adult~~ to designate, upon each account wholly or partly owned by the customer or member:

A. At least one trusted contact person other than a co-owner, beneficiary or fiduciary on the account; and

B. Its procedure for communicating with the trusted contact person if the financial institution or credit union reasonably believes that financial exploitation of an eligible adult may have occurred, may have been attempted or is being attempted.

The financial institution or credit union shall provide a copy of any written policy developed in accordance with this subsection to the customer or member.

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**3. Delay of account transactions.** A financial institution authorized to do business in this State or a credit union authorized to do business in this State may delay a disbursement from an account of an eligible adult if the financial institution or credit union reasonably believes that the requested disbursement may result in financial exploitation of an eligible adult and the financial institution or credit union:

A. Not more than 2 business days after the requested disbursement, provides notification of the delay, the reason for the delay and the name of the primary employee of the financial institution or credit union that should be contacted regarding the delay to the customer or member and all parties authorized to transact business on the account, unless any such party is reasonably believed to have engaged in suspected or attempted financial exploitation;

B. Provides notification of the delay to the Office of the Attorney General not more than 2 business days after the requested disbursement; and

C. Continues its internal review of the suspected or attempted financial exploitation of the eligible adult, as necessary, and reports the results of the review to the Office of the Attorney General within 7 business days after the day the financial institution or credit union first delayed disbursement of the funds.

In any communication regarding a delay under this subsection, the financial institution or credit union shall use any method of communication that may be consistent with other time-sensitive communications and that is reasonably calculated to ensure that the recipient is effectively alerted to the nature of the information.

A delay of a disbursement in accordance with this subsection may not continue past the time required by the financial institution or credit union to determine that the disbursement will not result in financial exploitation or 15 business days after the date on which the financial institution or credit union first delayed disbursement of the funds, whichever occurs earlier. A court of competent jurisdiction may enter an order extending the delay of the disbursement of funds or may order other protective relief upon the petition of the financial institution or credit union or another interested party.

**4. Immunity.** A financial institution authorized to do business in this State or a credit union authorized to do business in this State that, in good faith, takes any action pursuant to this section is immune from administrative or civil liability that might otherwise arise from such an action or for any failure to take such an action.

**5. Report to law enforcement.** In addition to notifying the Office of the Attorney General, a financial institution authorized to do business in this State or a credit union authorized to do business in this State may make a referral to law enforcement agencies upon imposition of a delay pursuant to subsection 3. A financial institution or credit union may provide access to or copies of records that are relevant to the suspected or attempted financial exploitation of an eligible adult to a law enforcement agency, either as part of a referral to law enforcement or upon request of a law enforcement agency pursuant to an investigation. The records may include historical records as well as records relating to the most recent transaction that may constitute financial exploitation of an eligible adult. Any records made available to a law enforcement agency under this section are confidential.

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**SUMMARY**

This amendment makes clarifying changes to the bill related to the authorization for a customer of a financial institution or member of a credit union to designate a trusted contact person to receive information if the financial institution or credit union reasonably believes that financial exploitation of an eligible adult may have occurred, may have been attempted or is being attempted.

DRAFT