



## FINANCIAL EXPLOITATION IS A CRIME & THE MONTGOMERY COUNTY STATE'S ATTORNEY CAN HELP

If you think you or someone you know has been the victim of financial abuse, the State's Attorney's Office is here to help. Elder financial abuse is widespread and growing. No one really knows how much money is lost this way, but any amount is too much. The good news is that *Maryland law makes it a crime to financially exploit "vulnerable adults" (those who are unable to manage their daily needs due to mental or physical disability) and those 68 and older.*

### Signs of possible financial abuse:

- New spending patterns, increased use of credit &/or debit card
- Purchase of expensive, uncharacteristic items (e.g., car by a person who doesn't drive)
- Change in ability to pay bills, bounced checks
- Presence of new "friends," relatives, caretakers, companions, especially if much younger & person speaks for the senior &/or keeps others away
- Revisions to wills, powers of attorney, other legal or financial documents, such as changes to account beneficiaries
- Suspension of usual activities, social isolation

### Who's committing the crime?

- It can be a staff member at a care facility who is able to cozy up to a resident to get jewelry, money, or power of attorney
- It can be family members who believe they are entitled to an inheritance before their parents or grandparents pass away
- It can be a stranger. Con artists prey on older people because, as a group, they control a large amount of money

If you suspect that you or someone you know is the victim of financial exploitation, report your concerns. The people committing these crimes need to be caught and punished. Do not assume that someone has already reported a suspicious situation.

**If you think you or someone else has been the victim of financial abuse, the State's Attorney's Office is here to help**

Contact Deborah Zuckerman, Senior Financial Exploitation Prevention Initiative 240-777-7340;  
[deborah.zuckerman@montgomerycountymd.gov](mailto:deborah.zuckerman@montgomerycountymd.gov)

## FINANCIAL EXPLOITATION OF SENIORS FACT SHEET

### What is it?

Elder financial abuse is a crime involving the wrongful taking of money or property, whether through fraud, scams, predatory caretakers or family, or others. It is committed by a person knowingly and willfully obtaining by deception, intimidation, or undue influence, the property of a vulnerable senior with the intent to deprive him or her of that property.

### How prevalent is it?

In a variety of studies on this issue, it is estimated that somewhere between **\$3 and \$6 billion are stolen from seniors every year**. Furthermore, in these studies, only 3 to 4% of such these abuses are actually reported--96% are never reported! This crime is often under reported because of many issues: embarrassment, physical abuse, isolation, fear of retaliation, mild cognitive impairment and reluctance to blame once trusted friends and family members.

### What is the Impact?

The loss of financial security directly influences seniors' health and well being. Victims can no longer afford medical care, medications, housing, food, transportation and all other related aspects of independent and assisted living. Victims have no choice but to apply for already scarce government assistance at all levels: local, state and federal. In fact, a recent study found that elderly victims of financial abuse have a mortality rate **three times higher** than seniors who are not victims of such abuse.

### Isn't this illegal now?

Yes, financial elder abuse, if **reported**, can result in criminal prosecution. But, without **mandatory** reporting of financial elder abuse, cases go unreported, and consequently do not lead to criminal prosecution, which ultimately results in victims being left penniless.

### What can be done?

Maryland legislators are considering a Bill-- HB1257-- legislation to require financial institutions to report suspected elder financial abuse. Under this proposed legislation, employees of financial institutions would be trained to identify potential abuse and immediately report it to the proper authorities. As it is clear that financial abuse often occurs in transactions at financial institutions, financial employees are well situated, and very often, the first line of defense to identify and deter financial abuse. Many times, a financial institution is the only detector of such an incident. Under the proposed legislation, financial institutions are **not** required to conduct independent investigations nor establish a certainty that financial abuse has, in fact, occurred. Employees need only suspect that something is amiss. The proposed legislation would grant immunity to institutions for the release of information to the local authorities such as the local adult protective services agency, the local law enforcement agency, or the states attorney.

### Is this law working in other states?

Some 20 states have passed legislation known as "must report" statutes for financial institutions. California passed such legislation in 2005. After this legislation was passed in California, reporting of confirmed cases rose 16% in the first year. The statute was so successful, the 2010 California legislative session voted unanimously to make the statute permanent. (It was scheduled to sunset on January 1, 2013.)

**Mandatory reporting of suspected financial abuse is a critical and much needed step to prevent and deter financial exploitation of seniors.**

**We need your help today. Please write or email:**

Delegate Dereck E. Davis, Chairman of the House Economic Matters Committee,  
House Office Building Room 231, 11 Bladen St., Annapolis MD. 21401  
Or email: [dereck.davis@house.state.md.us](mailto:dereck.davis@house.state.md.us)

**Rodney K. Brown: Let's work together to help prevent elder financial abuse**

- Santa Cruz Sentinel  
Posted:

SantaCruzSentinel.com

Rodney K. Brown

Recently a Bay Area bank placed a call to an elderly customer because his account was overdrawn. The man came into the bank and told them he had written two checks totaling \$15,000 to a friend of a friend. He said that the payee had told him she would pay him back, but now he has serious doubts about that. Concerned about the customer, a bank representative spoke to the customer's son because he is also a signer on the account. As a result of the conversation, the son removed the blank check stock from his father and will now be writing checks on his behalf.

This is a textbook example of how banks and families can work together to protect a rapidly growing and vulnerable population.

The financial exploitation of seniors can take many forms. Some scams involve persuading people to put up good faith money, or a spurious transaction fee to claim a lottery prize. Others are more menacing, where a perpetrator coerces an elder into signing over investments, real estate or other assets through the use of manipulation, intimidation or threats.

Often, these scams raise the suspicions of bank employees who -- when given proper guidance and training -- are effective guards against financial abuse of elders. Since the passage in 2005 of the Financial Elder Abuse Reporting Act, authored by State Sen. Joe Simitian D-Palo Alto, bank employees have been required to notify authorities of incidents where elder financial abuse is suspected.

California has the largest elder adult population in the nation -- nearly 4 million people over the age of 65 -- and this figure is projected to almost double in the next 20 years, according to the California Department of Finance. As that population grows, elder financial abuse is expected to become more prevalent, increasing the importance of our efforts to protect senior citizens.

The financial abuse of elders is a devastating crime that can result in the loss of a lifetime worth of savings. Advanced age and accumulated assets unfortunately makes seniors a tempting target.

The California Bankers Association worked with Sen. Simitian on the original 2005 law concerning elder financial abuse. A sunset provision of Jan. 1, 2013 was incorporated into the original law with the idea that if the law was not successful, it would no longer remain in effect.

However, the law is working, which is why we worked with Sen. Simitian in 2011 and supported his legislation to make the original law permanent. Since the law went into effect, banks across the state have been on the front lines, watching for and reporting suspected cases of financial abuse to county adult protective services or local law enforcement authorities. During the first three years of the bill -- from April 2007 to December 2010 -- banks in California reported more than 26,000 cases of financial abuse of elders to authorities.

Banks have dedicated considerable resources to help prevent financial abuse of the elderly, including millions of dollars to train bank employees to recognize the warning signs of potential financial abuse of elders.

But banks cannot do it alone. There is much we do not know or cannot see on the immediate surface that others can. That's why friends, family members and caregivers also need to be vigilant when it comes to protecting the financial interests of this susceptible population. They need to be on the lookout for those who would prey on seniors; to take notice quickly and take action immediately.

Rodney K. Brown is president and CEO of the California Bankers Association, which includes nearly 200 of California's banks and savings associations.