

SENATE BILL NO. 174

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Labor and Commerce

on \_\_\_\_\_)

(Patron Prior to Substitute--Senator Favola)

A BILL to amend the Code of Virginia by adding a section numbered 6.2-103.2, relating to financial institutions; reporting financial exploitation of elderly or vulnerable adults.

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding a section numbered 6.2-103.2 as follows:**

**§ 6.2-103.2. Reporting financial exploitation of elderly or vulnerable adults.**

A. As used in this section, unless the context requires a different meaning:

"Elderly or vulnerable adult" has the same meaning as provided for "adult" in § 63.2-1603.

"Financial exploitation" and "financial institution staff" have the same meanings as provided for those terms in § 63.2-1603, except that for the purposes of this section, "financial institution staff" shall not include an employee, agent, qualified individual, or representative of an investment company, investment advisor, securities firm, accounting firm, or insurance company.

B. 1. A financial institution may offer to an elderly or vulnerable adult the opportunity to submit and update a list of trusted persons that such elderly or vulnerable adult authorizes the financial institution or financial institution staff to contact when such financial institution or financial institution staff has reasonable cause to suspect that such elderly or vulnerable adult is a victim or target of financial exploitation.

2. Notwithstanding subdivision 1, a financial institution or financial institution staff with reasonable cause to suspect that an elderly or vulnerable adult is a victim or target of financial exploitation may convey the suspicion to one or more of the following, provided that the recipient of such conveyance is not the suspected perpetrator of financial exploitation:

a. Any person on the trusted contact list described in subdivision 1, if such a list has been provided;

27 b. A co-owner, additional authorized signatory, or beneficiary on any account that the elderly or  
28 vulnerable adult holds with the financial institution;

29 c. Any person known by the financial institution or financial institution staff to be reasonably  
30 associated with an elderly or vulnerable adult, including a family member, except that a financial  
31 institution shall only contact such reasonably associated person if (i) such financial institution is unable to  
32 contact any of the other permitted recipients listed in this subdivision and (ii) the elderly or vulnerable  
33 adult is unable to designate a trusted contact; or

34 d. An agent under a valid power of attorney.

35 3. When providing information under this subsection, a financial institution or financial institution  
36 staff may limit the information provided and disclose only that there is reasonable cause to suspect that  
37 the elderly or vulnerable adult may be a victim or target of financial exploitation without disclosing any  
38 other details or confidential, personal, or financial information.

39 4. A financial institution or financial institution staff shall be immune from any civil or  
40 administrative liability for any act taken or omission made in good faith and in accordance with the  
41 provisions of this subsection. Information shared pursuant to this subsection is exempt from any customer  
42 consent or customer notice requirements.

43 C. 1. A financial institution or third party selected by a financial institution may provide training  
44 relating to identifying and reporting the suspected financial exploitation of an elderly or vulnerable adult  
45 as described in subdivision 2 to financial institution staff who may (i) come into contact with elderly or  
46 vulnerable adults in the course of employment or (ii) review the financial documents, records, or  
47 transactions of an elderly or vulnerable adult in connection with providing financial services to such  
48 elderly or vulnerable adult.

49 2. The content of any training provided by a financial institution relating to identifying and  
50 reporting suspected financial exploitation of an elderly or vulnerable adult shall:

51 a. Be maintained by such financial institution and be made available to the financial regulatory  
52 agency with examination authority over such financial institution upon request, except that a financial

53 institution shall not be required to maintain or make available such content relating to any individual who  
54 is no longer employed by or affiliated or associated with such financial institution;

55 b. Instruct individuals attending such training on how to identify the suspected financial  
56 exploitation of an elderly or vulnerable adult, including common signs of financial exploitation, and how  
57 to report such suspected financial exploitation internally at such financial institution, to a designated  
58 trusted contact, and to the Federal Bureau of Investigation (FBI), the local department of social services  
59 of the county or city wherein such elderly or vulnerable adult resides or where such suspected financial  
60 exploitation occurs, the adult protective services hotline, and local law-enforcement authorities;

61 c. Discuss the need to protect the privacy and respect the integrity of each customer of such  
62 financial institution; and

63 d. Be appropriate to the job responsibilities of the individuals attending such training.

64 3. A financial institution that conducts such training as provided in subdivision 2 shall maintain  
65 records of all financial institution staff who complete such training and the date of such completion. Such  
66 financial institution shall make such records available to the financial regulatory agency with examination  
67 authority over such financial institution upon request.

68 D. Financial institution staff who reasonably believe that the financial exploitation of an elderly or  
69 vulnerable adult may have occurred, may have been attempted, or is being attempted may report such  
70 suspected financial exploitation to the FBI, the local department of social services of the county or city  
71 wherein such elderly or vulnerable adult resides or where such suspected financial exploitation occurs, the  
72 adult protective services hotline, or local law-enforcement authorities. In support of such a report, the  
73 financial institution shall cooperate in any investigation and provide financial records and information  
74 relevant to such investigation in conformance with § 6.2-103.1. No record disclosed pursuant to this  
75 subsection shall be considered a public record as defined in § 2.2-3701.

76 E. No financial institution staff who have received the training described in subsection C shall be  
77 liable, including in any civil or administrative proceeding, for disclosing the suspected financial  
78 exploitation of an elderly or vulnerable adult pursuant to this section if such disclosure was made in good

79 faith and with reasonable care. No financial institution that has provided the training described in  
80 subsection C shall be liable for any such disclosure by financial institution staff.

81 F. The provisions of this section applicable to financial institutions may be applied to national  
82 banking associations, federal savings banks, federal savings and loan associations, or institutions chartered  
83 or organized as a federal credit union under the laws of the United States, to the extent that such entities  
84 have voluntarily implemented the requirements of this section and provided that any such provision is not  
85 expressly preempted by federal law, rule, regulation, or order.

86 **2. That the Bureau of Financial Institutions of the State Corporation Commission shall develop**  
87 **guidelines for financial institutions to provide trainings in accordance with the provisions of**  
88 **subdivision C 1 of § 6.2-103.2, as created by this act, and shall publish such guidelines by January**  
89 **1, 2026.**

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