



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 464 (Substitute S-1 as reported)
Senate Bills 465 and 862 (as reported without amendment)
Sponsor: Senator Peter J. Lucido
Committee: Insurance and Banking

CONTENT

Senate Bill 464 (S-1) would enact the "Financial Exploitation Prevention Act" to do the following:

- Require a financial institution to develop and implement a policy for training relevant employees to recognize signs of covered financial exploitation.
- Require a policy to provide certain information, including procedures to follow when covered financial exploitation was found and designation of one or more employees to make a report regarding the covered financial exploitation to a law enforcement agency or Adult Protective Services (APS).
- Require a report of financial exploitation or suspected financial exploitation to include certain information, including the name of the individual believed to be the victim, a description of the suspected or detected covered financial exploitation, and a designated contact for required notices if the reporter were a financial institution.
- Require a law enforcement agency or APS to notify, within 10 days after it received a report of suspected or detected covered financial exploitation, the financial institution whether a reported incident was under investigation or had been referred for investigation.
- Require a law enforcement agency or APS, within 10 days after it received a report to notify the office of the county prosecutor.
- Prohibit a law enforcement agency, APS, or county prosecutor from disclosing the identity of an individual or financial institution that made a report without the individual's or financial institution's consent.
- Allow a financial institution to delay, if possible, a related transaction for further investigation or examination of available facts, if a financial institution suspected or had detected covered financial exploitation.
- Specify that only the State or Federal regulatory agency that authorized the financial institution to organize and commence business in its current form and that had examination and enforcement authority over that financial institution could enforce the proposed Act.
- Specify that a financial institution would be immune from liability or penalty under law or regulation of Michigan or a local unit of government for an action or process under the Act, subject to certain exceptions.

Senate Bill 465 would amend the Social Welfare Act to allow a county department of social services to inform a financial institution that made a report of suspected abuse, neglect, or exploitation of the status of an investigation.

Senate Bill 862 would amend the Social Welfare Act to specify that a provision requiring a writing prepared, owned, used, in the possession of, or retained by the Department of Health and Human Services (DHHS) in the performance of its duties under the Act to be made

available to the public in compliance with the Freedom of Information Act would apply except as provided in the Financial Exploitation Prevention Act.

Senate Bills 465 and 862 are tie-barred to Senate Bill 464.

MCL 400.11b (S.B. 465)
400.11d (S.B. 862)

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

Senate Bills 464 (S-1) and 465 would have a negligible fiscal impact on State and local law enforcement agencies. Depending on the volume and magnitude of potential investigations involving financial exploitation of vulnerable person, the bill could have a negative fiscal impact on the Adult Protective Services unit within the DHHS.

Senate Bill 862 would have no fiscal impact on State or local government.

Date Completed: 12-8-20

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Bill Analysis @ www.senate.michigan.gov/sfa

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