

Legislative Analysis



FINANCIAL EXPLOITATION: INCLUDE AS ABUSE OF VULNERABLE ADULT

Mitchell Bean, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 5187

Sponsor: Rep. Andy Neumann

Committee: Senior Health, Security, and Retirement

Complete to 6-1-10

A SUMMARY OF HOUSE BILL 5187 AS INTRODUCED 7-14-09

House Bill 5187 would amend Section 11a of the Social Welfare Act to add an employee of a financial institution to the list of persons who are required to make a report of suspected abuse, neglect, or exploitation of a vulnerable adult as prescribed in the act.

The bill would also add "financial exploitation" to the definition of abuse, and add related definitions of the terms "financial institution," and "financial services" to the act.

The bill would define the terms as follows:

Financial Exploitation would mean the action of a person in a position of trust and confidence and who by **intimidation** or **deception** knowingly takes control, title, use, or management of an incapacitated or vulnerable adult's assets or property with the intent to permanently deprive him or her of the assets or property.

Financial Institution would mean a state or nationally chartered bank or a state or federally chartered savings and loan association, savings bank, or credit union that maintains a principal office or branch in this state.

MCL 400.11a

FISCAL IMPACT:

House Bill 5187 (and HB 5193) could increase the number of reports of suspected abuse of adults filed with and investigated by Adult Protective Services staff within county offices of the Department of Human Services. Further, it could increase complaint referrals to the Bureau of Children and Adult Licensing related to abuse or neglect of individuals served within adult foster care facilities or homes for the aged. Data does not appear to be available to estimate the number of new reports that would result from the bills.

Any increase in reports and referrals of suspected abuse or neglect would increase the workload for Adult Protective Services staff within DHS county offices and for staff within the Bureau of Children and Adult Licensing. When similar legislation was

introduced last session, the Department of Human Services indicated a belief that the bills will increase staffing needs in these areas, but did not have a specific cost estimate.

Legislative Analyst: E. Best
Fiscal Analyst: Kevin Koorstra

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.