

**Oppose**  
**SB 3071 HA #1 (Stuart)**  
**Financial Institution Mandated Reporter**

Banks and credit unions across Illinois take their responsibility to protect vulnerable customers and members very seriously. However, the financial industry coalition opposes making employees of financial institutions mandated reporters of financial exploitation as presented in SB 3071 HA #1.

SB 3071 HA #1 is an initiative of the Department on Aging (DoA). It amends the Adult Protective Services Act to expand the definition of “mandated reporter” of financial exploitation of an eligible adult to include “employees of financial institutions who serve as a branch manager or member of the compliance team (including as a Bank Secrecy Act officer).”

- **Financial Institutions Employees Should Not Be Mandated Reporters.** Bank and credit union employee interactions with their customers and members are typically brief and transactional in nature. Those short interactions do not generate the same depth of information that current mandated reporters such as medical doctors, clinical psychologists, clergy or emergency personnel routinely obtain.
- **The Existing Standard of Mandated Training Is Sufficient.** As a result of legislation negotiated in good faith by financial institutions with DoA and IDFPR in 2010, employees and officers of financial institutions who have direct customer or member contact must complete training on the proper recognition and reporting of suspected financial exploitation of eligible persons. This training mandate has resulted in increased reports of suspected financial exploitation.
- **Financial Institutions Already Report Suspected Financial Exploitation.** Banks and credit unions are currently authorized in their enabling acts to voluntarily report suspected financial exploitation situations. There is no evidence that this existing authorization is inadequate.
- **Financial Institutions Comply with Federal FinCEN Guidance.** Banks and credit unions also must already comply with federal financial crime laws which compel reporting of suspected illegal activity, including suspected financial exploitation, to FinCEN, the federal financial crimes agency. Last year, depository institutions filed several thousand reports of elder financial exploitation in Illinois alone, and they are on track to file even more reports in Illinois for 2026.
- **The Statutory Option of Contacting Trusted Advisors Should Be Given Time to Work.** Consistent with FinCEN guidance, in 2025 credit unions passed legislation authorizing them to contact a member’s trusted advisor or known family member if financial exploitation was suspected. DoA now seeks to incorporate that language in the Banking Acts, so it obviously supports the trusted advisor option. That new option should be given time to work and also extended to banks.
- **Existing Training Should be Enhanced Before Mandated Reporting.** Consistent with the existing state training and federal reporting mandates, the financial industry coalition has proposed language enhancing the existing training protocol by incorporating as training standards the behavioral and financial red flags for financial exploitation enumerated in a recent FinCEN advisory.
- **Mandated Reporting is Unnecessary.** Given all these considerations, SB 3071 HA #1 is unnecessary and creates a potential punitive impact on financial institutions with its criminal penalties for failure to report.

**The Illinois Bankers Association and Illinois Credit Union League urge you to vote NO on SB 3071 HA #1.**