As Amended by Senate Committee

{As Amended by House Committee of the Whole}

Session of 2026

HOUSE BILL No. 2591

By Committee on Financial Institutions and Pensions

Requested by Cale Beam on behalf of the Kansas Credit Union Association

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AN ACT concerning financial institutions; authorizing financial institutions to report suspected financial exploitation of an adult account holder to a designated agency, notify any adult designated as a trusted contact by such account holder of suspected financial exploitation and place a temporary hold on certain transactions or disbursements; limiting liability in any civil or criminal action for taking such actions or choosing not to take such actions.

Be it enacted by the Legislature of the State of Kansas:

Section 1. As used in sections 1 through 5, and amendments thereto:

(a) "Adult" means any person 18 years of age or older.

(b) "Bank holding company" means the same as defined in K.S.A. 9-519, and amendments thereto.

(c) "Designated agency" means:

(1) Any law enforcement agency with jurisdiction over the matter; ~~and~~ ***or***

(2) the Kansas department for children and families.

(d) "Financial exploitation" means the unlawful or improper use, control or withholding of an adult's property, income, resources or trust funds by any other person or entity in a manner that is not for the profit of or to the advantage of the adult. "Financial exploitation" includes, but is not limited to, the:

(1) Breach of a fiduciary duty, including, but not limited to, the misuse of a power of attorney, trust or a guardianship or conservatorship appointment, as it relates to the property, income, resources or trust funds of the adult;

(2) unauthorized use of an adult's personal identifying information, financial documents or access devices;

(3) use of deception, intimidation, coercion, extortion or undue influence by a person or entity to obtain control over or use an adult's property, income, resources or trust funds in a manner that is for the profit of or to the advantage of such person or entity; or

(4) use of fraud, false pretense or misrepresentation for personal gain

at the expense of the adult.

(e) "Financial institution" means a bank, savings bank, savings and loan association, trust company, credit union or any similar institution chartered and supervised under state or federal law.

(f) "Trusted contact" means any adult designated by an adult account holder whom a financial institution may contact in the event of suspected financial exploitation of such account holder.

Sec. 2. (a) A financial institution may, in good faith and with reasonable cause, report any suspected financial exploitation of an adult account holder to a designated agency.

(b) A report may be made orally or in writing and shall include the information reasonably necessary to assist the designated agency in investigating the suspected financial exploitation.

(c) The provisions of this section shall not affect the reporting requirements in K.S.A. 39-1402 or 39-1431, and amendments thereto.

Sec. 3. (a) A financial institution may, in good faith, notify a trusted contact of an adult account holder of suspected financial exploitation, unless the institution reasonably believes that the trusted contact has committed or attempted financial exploitation of the adult account holder.

(b) When providing information pursuant to this section, a financial institution may disclose that the financial institution has reasonable cause to suspect that the adult account holder is a victim or target of financial exploitation without disclosing any other details or confidential personal information regarding the financial affairs of the adult account holder.

(c) Nothing in this section shall be construed to provide a trusted contact who is notified pursuant to this section with the authority to take any action on behalf of an adult account holder.

Sec. 4. (a) ~~If a financial institution makes a report pursuant to section 2, and amendments thereto, the institution may place a temporary hold on a transaction or disbursement from the adult's account for up to 10 business days if the institution, in its discretion, reasonably believes that the transaction may further the financial exploitation of the adult~~ **{(1) Except as provided in paragraph (2), if a financial institution makes a report pursuant to section 2, and amendments thereto, and such institution reasonably believes that the reported transaction or disbursement may further the financial exploitation of an adult account holder, such institution may, with management approval, place a temporary hold on such reported transaction or disbursement from such adult's account for up to 10 business days.**

(2) A temporary hold shall not be based solely on the:

(A) Age or perceived vulnerability of the adult account holder;

(B) size, frequency or timing of the transaction or disbursement; or

(C) adult account holder's refusal to provide additional information related to the transaction or disbursement.

(3) The provisions of this subsection shall not affect a financial institution's other rights or obligations under contract or other law}.

(b) The financial institution may extend a hold placed on any transaction under subsection (a) for a period of not to exceed 30 business days after the expiration of the period prescribed by subsection (a) if requested by a state or federal agency or a law enforcement agency investigating the suspected financial exploitation. The financial institution may also petition a court to extend a hold placed on any transaction under subsection (a) beyond the period prescribed by this subsection.

Sec. 5. (a) A financial institution or bank holding company, or any officer, employee or agent thereof, that in good faith and with reasonable cause takes any of the following actions shall not be liable in any civil or criminal action, including claims of negligence, breach of fiduciary duty, breach of privacy or any other claim under state law, arising from the following actions:

(1) Reporting any suspected financial exploitation of an adult account holder to a designated agency pursuant to section 2, and amendments thereto;

(2) notifying a trusted contact of an adult account holder of suspected financial exploitation pursuant to section 3, and amendments thereto; or

(3) placing or continuing a temporary hold on a transaction or disbursement from an adult's account pursuant to section 4, and amendments thereto.

(b) A financial institution or bank holding company, or any officer, employee or agent thereof, that in good faith and without gross negligence chooses not to take an action described in subsection (a) shall not be liable in any civil or criminal action, including claims of negligence, breach of fiduciary duty, breach of privacy or any other claim under state law, arising from such inaction.

(c) The immunity from liability provided in this section shall extend to participation in any judicial or administrative proceeding resulting from a report or decision made pursuant to sections 1 through 4, and amendments thereto.

Sec. 6. This act shall take effect and be in force from and after its publication in the statute book.