



March 10, 2023

The Honorable Jesse Gabriel
Chair, Assembly Committee on Privacy and Consumer Protection
1021 O Street, Room 5220
Sacramento, California 95814

Re: AB 386 (Nguyen): California Right to Financial Privacy Act
As Amended March 8, 2023 – SUPPORT

Dear Assembly Member Gabriel:

On behalf of the California State Association of Counties, the Urban Counties of California (UCC) and the Rural County Representatives of California (RCRC), we write in support of AB 386 by Assembly Member Nguyen). This bill will improve the capability of Adult Protective Services (APS) to fulfill its obligation to protect seniors and disabled adults from the growing threat of financial abuse.

County APS Departments are responsible for investigating alleged incidences of abuse of older and dependent adults, including financial abuse. This role is expanding with the population that APS serves, which has grown and changed significantly since the program's inception. By 2030, one in five Californians will be age 65 or older— double what the over-65 population is today. Many of these individuals will also be disabled, cognitively impaired, or facing housing instability. County APS programs struggle to address an evolving landscape of abuse and neglect, including an increase of financial abuse and scams targeting this growing population. As of 2021, California ranks first nationally in total monetary losses, and third in per-capita monetary losses, experienced by victims of elder financial abuse.¹

County APS investigators are granted access to certain financial records of an alleged victim under current law. However, a law enforcement agency, district attorney or special agent of the Department of Justice must first certify that a crime report has been filed before APS can access the information of a potential victim of abuse. This typically requires APS, once notified of alleged financial abuse from a mandated reporter, to file a police report prior to submitting a request to a bank or financial institution for access to an individual's financial records.

The requirement to file a police report to access records that are necessary to substantiate reports of financial abuse is a barrier to APS in conducting an effective investigation. Even when

¹ 2021 DOJ Elder Fraud Report: <https://www.justice.gov/file/1523276/download>

APS has reasonable suspicion of abuse, a police report must first be filed to proceed further with the investigation. This requirement makes it more difficult to protect older and dependent adults in a timely manner. No comparable requirement exists for the other types of abuse APS is tasked with investigating.

County APS investigators experience further restrictions that impede their ability to protect victims. Once an APS investigator has been granted access, they are restricted to only financial records dating from a period of 30 days before and after the date of any alleged illegal activity (60 days total). Limiting access to such a narrow window of time makes it significantly harder for APS to identify normal spending habits of the alleged victim, which is necessary to identify abnormal and potentially illegal activity.

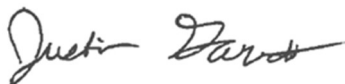
Additionally, APS is severely limited in the types of financial information that they can access. APS is excluded from accessing information that counties have identified as potentially critical to uncovering financial abuse and scams. This includes information related to newly issued cards, changes of addresses and information regarding trusts or Power of Attorney.

AB 386 is intended to address the challenges posed by these tight restrictions. This bill will assist APS in effectively investigating allegations of abuse by: 1) amending the law to allow an APS report of abuse to suffice as a certification that a crime report has been filed that involves financial abuse; 2) extending the period for which APS can request records to 90 days prior and 90 days following the alleged illegal act, and; 3) expanding the types of items APS can request from a bank or financial institution to include information regarding newly issued cards, changes of addresses and information regarding trusts or Power of Attorney.

The changes included in this bill will better ensure that APS is able to meet the needs of the growing population of older and dependent adults and uncover incidences of financial abuse. In better protecting victims from identity theft and abuse, this bill ultimately improves victims' privacy from those who would do them harm.

For these reasons, UCC and RCRC are pleased to SUPPORT AB 386, and respectfully request your "Aye" vote on this bill.

Sincerely,



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A handwritten signature in blue ink, appearing to read "Sarah Dukett", is displayed on a light blue background.

Sarah Dukett
Policy Advocate
RCRC

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cc: The Honorable Stephanie Nguyen
Honorable Members and Consultants, Assembly Committee on Privacy and Consumer
Protection
Angela Pontes, Deputy Legislative Secretary, Office of the Governor