

## CHAPTER 150

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**FINANCIAL INSTITUTIONS**


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**HOUSE BILL 26-1110**

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 also SENATOR(S) Catlin and Danielson, Simpson, Ball, Bridges, Carson, Cutter, Exum, Hinrichsen, Jodeh, Kipp, Kolker, Marchman, Rodriguez, Snyder, Sullivan, Wallace, Coleman.

**AN ACT**

**CONCERNING THE PROTECTION OF VULNERABLE ADULTS FROM FINANCIAL EXPLOITATION IN RELATION TO FINANCIAL INSTITUTIONS.**

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** In Colorado Revised Statutes, **add** article 113 to title 11 as follows:

**ARTICLE 113**  
**Adults' Security and Safeguards from**  
**Exploitation in Transactions Act**

**11-113-101. Short title.**

THE SHORT TITLE OF THIS ARTICLE 113 IS THE "ADULTS' SECURITY AND SAFEGUARDS FROM EXPLOITATION IN TRANSACTIONS ACT" OR THE "ASSET ACT".

**11-113-102. Definitions.**

AS USED IN THIS ARTICLE 113, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "DISBURSEMENT" MEANS A TRANSACTION BY A FINANCIAL INSTITUTION TO OR FOR THE BENEFIT OF A MEMBER OR ACCOUNT HOLDER, REGARDLESS OF THE METHOD, MEDIUM, INSTRUMENT, CHANNEL, OR TECHNOLOGY USED FOR THE TRANSACTION.

(2) "ELIGIBLE ADULT" MEANS:

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*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

(a) AN INDIVIDUAL SEVENTY YEARS OLD OR OLDER; OR

(b) AN INDIVIDUAL EIGHTEEN YEARS OLD OR OLDER WHO IS SUSCEPTIBLE TO MISTREATMENT OR SELF-NEGLECT BECAUSE THE INDIVIDUAL:

(I) IS UNABLE TO PERFORM OR OBTAIN SERVICES NECESSARY FOR THE INDIVIDUAL'S HEALTH, SAFETY, OR WELFARE; OR

(II) LACKS SUFFICIENT UNDERSTANDING OR CAPACITY TO MAKE OR COMMUNICATE RESPONSIBLE DECISIONS CONCERNING THE INDIVIDUAL'S PERSON OR AFFAIRS.

(3) "FINANCIAL EXPLOITATION" MEANS AN ACT OR OMISSION COMMITTED BY A PERSON THAT:

(a) USES DECEPTION, HARASSMENT, INTIMIDATION, OR UNDUE INFLUENCE TO PERMANENTLY OR TEMPORARILY DEPRIVE AN ELIGIBLE ADULT OF THE USE, BENEFIT, OR POSSESSION OF ANYTHING OF VALUE;

(b) EMPLOYS THE SERVICES OF A THIRD PARTY FOR THE PROFIT OR ADVANTAGE OF THE PERSON OR ANOTHER PERSON TO THE DETRIMENT OF THE ELIGIBLE ADULT;

(c) FORCES, COMPELS, COERCES, OR ENTICES AN ELIGIBLE ADULT TO PERFORM SERVICES FOR THE PROFIT OR ADVANTAGE OF THE PERSON OR ANOTHER PERSON; OR

(d) MISUSES THE PROPERTY OF AN ELIGIBLE ADULT IN A MANNER THAT ADVERSELY AFFECTS THE ELIGIBLE ADULT'S ABILITY TO RECEIVE HEALTH CARE OR HEALTH-CARE BENEFITS OR TO PAY FOR BASIC NEEDS OR OBLIGATIONS.

(4) "FINANCIAL INSTITUTION" MEANS:

(a) A BANK, AS DEFINED IN SECTION 11-101-401 (5); OR

(b) A CREDIT UNION, AS DESCRIBED IN SECTION 11-30-101 (1).

(5) "GOOD FAITH" MEANS HONESTY IN FACT IN THE TRANSACTION AND SOME REASONABLE GROUND FOR BELIEF THAT THE TRANSACTION IS RIGHTFUL OR AUTHORIZED.

(6) "QUALIFIED INDIVIDUAL" MEANS AN EMPLOYEE OF A FINANCIAL INSTITUTION WHO:

(a) PERFORMS MONETARY TRANSACTIONS FOR, SELLS FINANCIAL SERVICES TO, OR APPROVES LOANS FOR CUSTOMERS OF OR MEMBERS OF THE FINANCIAL INSTITUTION;

(b) SUPERVISES AN EMPLOYEE DESCRIBED IN SUBSECTION (6)(a) OF THIS SECTION; OR

(c) HAS THE RESPONSIBILITY OF ENSURING COMPLIANCE WITH THE FINANCIAL INSTITUTION'S LEGAL DUTIES.

**11-113-103. Disclosures to governmental agencies - immunity.**

(1) IF A QUALIFIED INDIVIDUAL REASONABLY BELIEVES, WHILE ACTING WITHIN THE SCOPE OF THEIR EMPLOYMENT, THAT FINANCIAL EXPLOITATION OF AN ELIGIBLE ADULT MAY HAVE OCCURRED, MAY HAVE BEEN ATTEMPTED, OR MAY BE OR IS BEING ATTEMPTED, THE QUALIFIED INDIVIDUAL SHALL NOTIFY OR CAUSE TO BE NOTIFIED LOCAL LAW ENFORCEMENT OR THE COUNTY AGENCY HANDLING ADULT PROTECTIVE SERVICES WHERE THE ELIGIBLE ADULT RESIDES.

(2) A QUALIFIED INDIVIDUAL WHO, IN GOOD FAITH AND EXERCISING REASONABLE CARE, MAKES A DISCLOSURE OF INFORMATION PURSUANT TO THIS SECTION IS IMMUNE FROM ADMINISTRATIVE OR CIVIL LIABILITY THAT MIGHT OTHERWISE ARISE FROM THE DISCLOSURE OR FROM ANY FAILURE TO NOTIFY A CUSTOMER OF THE DISCLOSURE.

**11-113-104. Disclosures to third parties - immunity.**

(1) IF A QUALIFIED INDIVIDUAL, WHILE ACTING WITHIN THEIR SCOPE OF EMPLOYMENT, REASONABLY BELIEVES THAT FINANCIAL EXPLOITATION OF AN ELIGIBLE ADULT MAY HAVE OCCURRED, MAY HAVE BEEN ATTEMPTED, OR MAY BE OR IS BEING ATTEMPTED, THE QUALIFIED INDIVIDUAL MAY NOTIFY A THIRD PARTY PREVIOUSLY DESIGNATED BY OR REASONABLY ASSOCIATED WITH THE ELIGIBLE ADULT. A QUALIFIED INDIVIDUAL SHALL TAKE REASONABLE CARE TO NOT NOTIFY A DESIGNATED THIRD PARTY WHO IS SUSPECTED OF FINANCIAL EXPLOITATION OR OTHER ABUSE OF THE ELIGIBLE ADULT.

(2) A QUALIFIED INDIVIDUAL WHO, IN GOOD FAITH AND EXERCISING REASONABLE CARE, COMPLIES WITH THIS SECTION IS IMMUNE FROM ANY ADMINISTRATIVE OR CIVIL LIABILITY THAT MIGHT OTHERWISE ARISE FROM A DISCLOSURE DESCRIBED IN SUBSECTION (1) OF THIS SECTION.

**11-113-105. Delaying disbursements - immunity.**

(1) SUBJECT TO SUBSECTION (2) OF THIS SECTION, A FINANCIAL INSTITUTION OR QUALIFIED INDIVIDUAL MAY DELAY A DISBURSEMENT FROM AN ACCOUNT IF:

(a) THE FINANCIAL INSTITUTION OR QUALIFIED INDIVIDUAL REASONABLY BELIEVES THAT THE ELIGIBLE ADULT IS SUBJECT TO FINANCIAL EXPLOITATION; AND

(b) THE FINANCIAL INSTITUTION OR QUALIFIED INDIVIDUAL:

(I) AS SOON AS POSSIBLE BUT WITHIN TWO BUSINESS DAYS AFTER THE REQUESTED DISBURSEMENT, PROVIDES WRITTEN NOTIFICATION, WHICH MAY BE DELIVERED ELECTRONICALLY, OF THE DELAY AND THE SPECIFIC REASON FOR THE DELAY TO ALL PARTIES AUTHORIZED TO TRANSACT BUSINESS ON THE ACCOUNT; EXCEPT THAT THE FINANCIAL INSTITUTION OR QUALIFIED INDIVIDUAL NEED NOT NOTIFY A PARTY WHO IS REASONABLY BELIEVED TO HAVE ENGAGED IN SUSPECTED OR ATTEMPTED FINANCIAL EXPLOITATION OF THE ELIGIBLE ADULT;

(II) WITHIN TWO BUSINESS DAYS AFTER THE REQUESTED DISBURSEMENT, MAKES THE NOTIFICATION REQUIRED IN SECTION 11-113-103 (1); AND

(III) CONTINUES ITS INTERNAL REVIEW OF THE SUSPECTED OR ATTEMPTED FINANCIAL EXPLOITATION OF THE ELIGIBLE ADULT, AS NECESSARY.

(2) (a) SUBJECT TO SUBSECTION (2)(b) OF THIS SECTION, A DELAY OF A DISBURSEMENT AUTHORIZED BY THIS SECTION MAY CONTINUE UNTIL:

(I) THE FINANCIAL INSTITUTION OR QUALIFIED INDIVIDUAL REASONABLY BELIEVES THAT THE ELIGIBLE ADULT IS NOT SUBJECT TO FINANCIAL EXPLOITATION;

(II) LOCAL LAW ENFORCEMENT OR THE COUNTY AGENCY HANDLING ADULT PROTECTIVE SERVICES, DEPENDING ON WHICH AGENCY IS CONDUCTING THE INVESTIGATION, CONCLUDES ITS INVESTIGATION; OR

(III) A COURT ORDERS THAT THE DELAY BE REMOVED.

(b) THE FINANCIAL INSTITUTION OR QUALIFIED INDIVIDUAL SHALL MAKE THE DETERMINATION DESCRIBED IN SUBSECTION (2)(a)(I) OF THIS SECTION WITHIN NINETY DAYS AFTER BEGINNING THE DELAY; EXCEPT THAT THE FINANCIAL INSTITUTION OR QUALIFIED INDIVIDUAL MAY DELAY THE DISBURSEMENT FOR AN ADDITIONAL NINETY DAYS AFTER THE INITIAL DELAY IF THE FINANCIAL INSTITUTION OR QUALIFIED INDIVIDUAL HAS MADE THE NOTIFICATION REQUIRED IN SECTION 11-113-103 (1) AND THE DISBURSEMENT IS PENDING THE CONCLUSION OF AN INVESTIGATION OF LOCAL LAW ENFORCEMENT OR THE COUNTY AGENCY HANDLING ADULT PROTECTIVE SERVICES, AS APPLICABLE.

(c) A COURT MAY ENTER AN ORDER EXTENDING THE DELAY OF A DISBURSEMENT OR MAY ORDER OTHER PROTECTIVE RELIEF BASED ON A PETITION OF AN AGENCY PROVIDING PROTECTIVE SERVICES FOR ELIGIBLE ADULTS, A FINANCIAL INSTITUTION OR QUALIFIED INDIVIDUAL THAT INITIATED THE DELAY UNDER THIS SECTION, OR ANOTHER INTERESTED PARTY.

(3)(a) A FINANCIAL INSTITUTION OR QUALIFIED INDIVIDUAL SHALL REASONABLY RELEASE THE DISBURSEMENT AUTHORIZED BY THIS SECTION IF THE FINANCIAL INSTITUTION, A QUALIFIED INDIVIDUAL, LOCAL LAW ENFORCEMENT, A COUNTY AGENCY HANDLING ADULT PROTECTIVE SERVICES, OR A COURT DETERMINES THAT THE ELIGIBLE ADULT IS NOT SUBJECT TO FINANCIAL EXPLOITATION.

(b) A FINANCIAL INSTITUTION OR QUALIFIED INDIVIDUAL MAY REFUSE THE DISBURSEMENT AUTHORIZED BY THIS SECTION UPON A FINDING OF FINANCIAL EXPLOITATION BY LOCAL LAW ENFORCEMENT, A COUNTY AGENCY HANDLING ADULT PROTECTIVE SERVICES, OR A COURT OR UPON THE EXPIRATION OF THE ONE-HUNDRED-EIGHTY-DAY PERIOD DESCRIBED IN SUBSECTION (2)(b) OF THIS SECTION IF LOCAL LAW ENFORCEMENT OR A COUNTY AGENCY HANDLING ADULT PROTECTIVE SERVICES HAS NOT NOTIFIED THE FINANCIAL INSTITUTION OR QUALIFIED INDIVIDUAL OF THE FINDINGS OF THE INVESTIGATION.

(4) A FINANCIAL INSTITUTION OR QUALIFIED INDIVIDUAL THAT, IN GOOD FAITH AND EXERCISING REASONABLE CARE, COMPLIES WITH THIS SECTION IS IMMUNE FROM ADMINISTRATIVE OR CIVIL LIABILITY THAT MIGHT OTHERWISE ARISE FROM A DELAY OF A DISBURSEMENT IN ACCORDANCE WITH THIS SECTION.

**11-113-106. Immunity for reasonable good faith omissions.**

A FINANCIAL INSTITUTION OR QUALIFIED INDIVIDUAL THAT, IN GOOD FAITH AND EXERCISING REASONABLE CARE, FAILS TO PROVIDE NOTICE PURSUANT TO SECTION 11-113-103 (1) OR FAILS TO DELAY A DISBURSEMENT PURSUANT TO SECTION 11-113-105 IS IMMUNE FROM ADMINISTRATIVE OR CIVIL LIABILITY FOR THE FAILURE TO PROVIDE THE NOTICE OR TO DELAY THE DISBURSEMENT.

**11-113-107. Records.**

(1) A FINANCIAL INSTITUTION SHALL PROVIDE ACCESS TO OR COPIES OF THE ELIGIBLE ADULT'S RECORDS THAT ARE RELEVANT TO SUSPECTED OR ATTEMPTED FINANCIAL EXPLOITATION TO AGENCIES CHARGED WITH ADMINISTERING STATE ADULT PROTECTIVE SERVICES LAWS AND TO LAW ENFORCEMENT, EITHER AS PART OF A REFERRAL TO THE AGENCY OR TO LAW ENFORCEMENT OR UPON REQUEST OF THE AGENCY OR LAW ENFORCEMENT PURSUANT TO AN INVESTIGATION. THE RECORDS MAY INCLUDE HISTORICAL RECORDS AS WELL AS RECORDS RELATING TO THE MOST RECENT TRANSACTION OR TRANSACTIONS THAT MAY COMPRISE FINANCIAL EXPLOITATION OF AN ELIGIBLE ADULT.

(2) RECORDS MADE AVAILABLE TO AGENCIES UNDER THIS SECTION ARE NOT PUBLIC RECORDS, AS DEFINED IN SECTION 24-72-202.

(3) THIS SECTION DOES NOT LIMIT OR OTHERWISE IMPEDE THE AUTHORITY OF THE STATE COMMISSIONER OF FINANCIAL SERVICES OR THE STATE BANK COMMISSIONER TO ACCESS OR EXAMINE THE BOOKS AND RECORDS OF FINANCIAL INSTITUTIONS OR AS OTHERWISE PROVIDED BY LAW.

**11-113-108. Multiple duties to report.**

COMPLIANCE WITH THIS ARTICLE 113 DOES NOT DISCHARGE THE DUTY OF A PERSON TO REPORT MISTREATMENT UNDER SECTION 18-6.5-108 TO LOCAL LAW ENFORCEMENT.

**SECTION 2. Act subject to petition - effective date - applicability.** (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to financial institution transactions attempted or occurring on or after the applicable effective date of this act.

Approved: May 26, 2026