

SF 2146 – Financial exploitation of a VA injunction/OFP; criminal penalties

Alarm bells have been sounding for years as financial exploitation becomes a significant and growing national issue – an issue that demands legislative action. The Federal Trade Commission reported that \$12.1 billion was lost to scams nationwide in 2024, which represents a 25% increase in the previous year.¹ These numbers highlight the urgent need for protective measures. Scammers have become sophisticated and prey on the trust and vulnerability of individuals through impersonation, romance, and investment scams.

Vulnerable adults are targeted by scammers and exploiters. In Minnesota, a vulnerable adult is someone over age 18 who, due to physical or mental disabilities, is unable to adequately care for themselves without assistance (either *functionally* or *categorically* vulnerable as defined in the Vulnerable Adults Act), making them particularly vulnerable to maltreatment, including financial exploitation.

We are proposing a bill that provides injunctive relief to freeze bank accounts when a vulnerable adult is financially exploited and to separate the victim and alleged perpetrator to “stop the bleeding.” Unless immediate action is taken, the money is usually gone, making it extremely difficult (if not impossible) to make the victim whole by way of reversing the transaction or seeking restitution.

Minnesota’s current legal framework falls short in providing timely protection to vulnerable adults. However, the enactment of a law providing injunctive relief would offer several benefits:

1. **Deter Exploitation:** By freezing assets and preventing the completion of fraudulent transactions, the law would serve as a deterrent to potential exploiters, reducing the incidence of financial exploitation.
2. **Safeguard Assets:** The ability to swiftly freeze bank accounts would protect the financial resources of vulnerable adults, ensuring that their assets are preserved for their care and well-being.
3. **Enhanced Legal Recourse:** The law would provide a clear legal pathway for trusted contacts or representatives to act on behalf of vulnerable adults, petitioning for relief without the need for extensive legal proceedings or the identification of the scammer.
4. **Positive Fiscal Impact:** The law would have a positive fiscal impact by reducing the need for law enforcement resources to serve unascertainable respondents and by minimizing the liability of financial institutions for freezing accounts or stopping fraudulent transactions.

By deterring exploitation, safeguarding assets, and quickly (even temporarily) separating the victim and the alleged perpetrator, such a law would significantly enhance the protection of vulnerable adults and contribute to their financial security.

Florida is the only other state to enact a similar law for financial exploitation injunctive relief, so Minnesota will be a leader – serving as an example for other states to protect their vulnerable population.

¹ <https://www.ftc.gov/news-events/news/press-releases/2025/03/new-ftc-data-show-big-jump-reported-losses-fraud-125-billion-2024>