Government of the Virgin Islands of the United States
DEPARTMENT OF HUMAN SERVICES

TESTIMONY OF ASSISTANT COMMISSIONER TAETIA PHILLIPS-DORSETT
VIRGIN ISLANDS DEPARTMENT OF HUMAN SERVICES
ON Bill No. 36 0192- THE SENIOR FINANCIAL PROTECTION AND PROMISSORY NOTE ABUSE PREVENTION ACT OF 2025. (PROPOSED BY: SENATOR ALMA FRANCIS HEYLIGER)

Good morning, Honorable Chairman, Senator Angel Bolques, Jr., members of the Committee on Culture, Youth, Aging, Sports, and Parks, colleagues and staff, the viewing and listening public.

My name is **Taetia Phillips-Dorsett,** and I serve as Assistant Commissioner of the U.S. Virgin Islands Department of Human Services. I am joined today by our Administrator of the Division of Senior Citizens Affairs, Kishma Vincent, and Heather Richardson Henry, District Manager of the Adult Protective Services (APS) Unit. On Behalf of Commissioner Averil E. George, thank you for the opportunity to provide testimony on **Bill No. 36-0192**, the **Senior Financial Protection and Promissory Note Abuse Prevention Act**.

The Department of Human Services deeply appreciates the Legislature's continued commitment to protecting the well-being of our older adults. As financial exploitation becomes increasingly sophisticated and widespread, seniors in our community face growing risks from individuals who misuse trust, authority, or access to deprive them of their financial security. **According to the Congressional Research Service**, elder financial exploitation—defined by federal agencies as the illegal or improper use of an older adult's funds, property, or assets—has expanded nationwide and is a persistent threat to seniors' financial security and health.

The Report found that from June 2022 to June 2023, financial institutions filed **155,415** reports of suspected elder financial exploitation, tied to about **$27 billion** in suspicious activity—figures that highlight both scale and urgency

For many seniors, the consequences of financial exploitation extend far beyond monetary loss—they can lead to housing instability, food insecurity, worsening health, and increased reliance on public assistance programs administered by this Department.

Through the work of **Adult Protective Services (APS)**, the Department regularly encounters local cases of financial exploitation that are both highly complex and deeply damaging. Situations involving promissory notes and informal lending arrangements are particularly concerning. Although these documents often appear legitimate, they may conceal coercion, deception, or undue influence, especially when signed under pressure by a senior who trusts the perpetrator. For this reason, the Department strongly supports legislation that clearly identifies these practices as exploitative and provides mechanisms to prevent their abuse.

The Act's definition of **financial exploitation** and its explicit prohibition on obtaining promissory notes through fraud, coercion, or undue influence are well-crafted and align with DHS's observations. Declaring such promissory notes **void and unenforceable** is an essential protection. It prevents individuals from hiding behind formal documents to justify abusive conduct and offers seniors a meaningful path to relief **even after a document has been signed.**

The Department also supports the **civil remedies** included in the bill. Authorizing actual damages, punitive damages, and attorney fees appropriately reflects **the seriousness of financial exploitation** and helps ensure that seniors are not further burdened by the cost of seeking justice. These provisions may also **deter potential offenders** who would otherwise view seniors as easy targets.

Regarding **reporting requirements**, DHS appreciates its **designation** as the receiving agency for allegations of financial exploitation involving promissory notes. **APS** already serves as the **lead entity** for responding to abuse, neglect, and exploitation of vulnerable adults, and this legislation **reinforces** that role. The inclusion of **good-faith immunity** for reporters is a critical element that will help encourage timely and responsible reporting by individuals and financial institutions.

However, the Department notes that **expanded reporting**—particularly from financial institutions—will **likely increase the volume** of APS intakes, assessments, investigations, and law-enforcement referrals. To ensure effective and timely response, DHS respectfully emphasizes the importance of aligning this legislative mandate with the **necessary investments** in APS **staffing,** training, and technology.

We also support the bill's authorization of **temporary transaction holds** by financial institutions when exploitation is suspected. These short-term safeguards can **prevent irreversible financial harm** while **protecting the senior's legal rights.** The requirement for immediate notification to DHS and judicial oversight beyond seven business days ensures an appropriate balance between protecting seniors and preserving their access to legitimate financial transactions. **Clear protocols** and **coordination** between agencies will be essential to ensure these holds operate effectively.

DHS also supports the bill's **training and public education provisions.** Front-line financial professionals are uniquely positioned to identify the **early warning signs of exploitation**, and annual training—paired with a coordinated public awareness campaign—can significantly strengthen early detection and prevention. However, we must also acknowledge that while training and public education are essential, **these initiatives come with real costs that DHS has not currently budgeted for.**

Development of training materials, public outreach content, and collaborative engagement efforts will require staff time, technical resources, and potentially contractual support. DHS remains committed to collaborating with the Department of Licensing and Consumer Affairs to advance these outreach and education efforts, **provided that** roles, responsibilities, and the necessary **resource allocations** are clearly established to ensure successful implementation.

Finally, while criminal enforcement rests primarily with law enforcement and the Department of Justice, DHS recognizes that the Act's **criminal penalties** reinforce the seriousness of these offenses. APS plays an important role in identifying cases, supporting victims, and facilitating referrals, and **we remain committed** to partnering across agencies to ensure that seniors are fully protected.

In closing, the Virgin Islands Department of Human Services **supports** the intent of the Senior Financial Protection and Promissory Note Abuse Prevention Act of 2025 and commends the Legislature for addressing this significant and harmful form of abuse. We look forward to ongoing collaboration to ensure these protections are implemented effectively, **sustainably**, and with the **best interests of our seniors at the forefront.**

Thank you for your attention, and I am happy to answer any questions the Committee may have.