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Chairs Koegel and O'Driscoll and Members of the House Commerce Committee

On behalf of BankIn Minnesota, I am writing to express our strong support for House File 4502, which establishes a trusted contact program designed to help mitigate financial exploitation and fraud, particularly among vulnerable and aging populations.

Community banks across Minnesota are on the front lines of identifying and preventing financial exploitation. Community bank employees know their customers personally and are often the first to notice unusual account activity, changes in behaviour, or transactions that raise concerns. However, under current law, banks face limitations in their ability to act on those concerns or to communicate with a third party when fraud or exploitation is suspected.

HF 4502 provides a practical and responsible solution by allowing financial institutions to offer customers the option to designate a "trusted contact." This individual can be contacted in situations where there is reasonable concern regarding potential financial exploitation, diminished capacity, or suspicious activity. Importantly, this tool empowers customers to proactively choose someone they trust, while preserving their autonomy and privacy.

Equally important, the bill includes appropriate liability protections for financial institutions that act in good faith when reaching out to a trusted contact. These protections are critical. Without clear safe harbor provisions, institutions may hesitate to act, even when they suspect fraud, due to the risk of legal exposure. HF 4502 strikes the right balance by encouraging timely intervention while maintaining accountability and consumer protections.

By enabling earlier communication and intervention, this legislation will help reduce financial losses, protect vulnerable Minnesotans, and support law enforcement and family members in addressing potential exploitation before it escalates. It also aligns Minnesota with a growing number of states that have adopted similar measures to strengthen fraud prevention efforts.

BankIn Minnesota believes HF 4502 is a common-sense, customer-focused policy that enhances the ability of community banks to safeguard their customers while maintaining trust and confidentiality. We respectfully urge your support for this important legislation.

Thank you for your time and consideration.

Sincerely,

Richard C. Jones
President & CEO
BankIn Minnesota