

Testimony in Support of HB 2562
Committee on Financial Institutions and Pensions

Thank you for the opportunity to testify in support of HB 2562. I am Leslie Anderson, Executive Director of the Kansas Association of Area Agencies on Aging and Disabilities (k4ad) representing the network of eleven Area Agencies on Aging (AAAs) covering all 105 Kansas counties.

Area Agencies on Aging were established under the Older Americans Act (OAA) in 1973 to respond to the needs of Americans 60 and over in every local community. By providing a range of options that allow older adults to choose the home and community-based services and living arrangements that suit them best, Area Agencies make it possible for older adults to “age in place” in their homes and communities. The OAA requires local control and decision-making that allows Area Agencies to adapt to the unique demands of their communities while complying with the requirements they also advocate, plan, coordinate to assist older adults in leading independent, meaningful, and dignified lives. Today, Area Agencies coordinate a complex local service delivery system that serves millions of older adults and caregivers in every community in the country.

This generation of older adults is unique from prior generations in that they live longer, spend a significant part of their lifetime in the workforce, retire later in life, and control an average of 70% of the invested wealth in the United States. Subsequently, according to the National Institute on Aging, older adults are also more likely to be at risk of financial exploitation and scams than other generations.

There are varying reasons why an older adult can be deceived by persons with undue influence over their finances. Risk factors include physical and cognitive decline and social isolation. The heightened risks result in financial exploitation, which can lead to severe consequences. A substantial financial loss adversely impacts an older adult’s quality of life and ability to age in place. If they are unaware of services specific to aging, they are reluctant and embarrassed to request help after financial exploitation. Ultimately, the loss of retirement and financial resources result in becoming impoverished and possibly needing state assistance, which may include prematurely entering a nursing facility.

According to the Survey of Consumer Finances (<https://www.federalreserve.gov/econres/scfindex.htm>), the chart below illustrates the average retirement savings of an older adult:

Age Group	Account Balances
55 to 64	\$408,420
65 to 74	\$426,070
75 and over	\$357,920
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To protect older Kansans from financial exploitation, laws and policies must address this growing social problem. We appreciate legislation that instigates penalties, including restoration, to protect older adults and their future. We support HB 2562 because it is important for older Kansans’ investments to be protected.

Respectfully,
Leslie Anderson
Executive Director