



March 17, 2025

The Honorable Michael E. Hastings, Chair
Senate Judiciary Committee
Illinois State Senate
Statehouse
Springfield, IL 62706

RE: Illinois Senate Bill No. 1551

Dear Chair Hastings:

On behalf of the North American Securities Administrators Association (“NASAA”),¹ I write to express support for Illinois Senate Bill No. 1551. If enacted, this legislation would benefit Illinois investors and businesses in important ways.

I. NASAA Model Act to Protect Vulnerable Adults from Financial Exploitation

A decade ago, the NASAA Model Act to Protect Vulnerable Adults from Financial Exploitation (“Model Act”) originated as an initiative of NASAA’s committee that is comprised of state and provincial securities regulators who are focused on developing policy solutions and tools that support older and sometimes vulnerable investors. The NASAA membership voted in January 2016 to approve the Model Act following over a year of work by NASAA, including extensive public and internal comment on the proposal.

The Model Act has been a great success and an important tool for industry and regulators alike. As of February 2025, 40 U.S. jurisdictions, including Indiana, Kentucky, and Michigan, have enacted state laws inspired by the Model Act. Three more jurisdictions (Missouri, Nevada, and Washington State) had laws that pre-dated and inspired the development of the Model Act.²

¹ Organized in 1919, NASAA is the oldest international organization devoted to investor protection. NASAA’s membership consists of the securities administrators in the 50 states, the District of Columbia, Canada, México, Puerto Rico, the U.S. Virgin Islands, and Guam. NASAA is the voice of securities agencies responsible for grass-roots investor protection and efficient capital formation.

² To view a list of jurisdictions that have adopted proposals, see <https://www.nasaa.org/industry-resources/senior-issues/model-act-to-protect-vulnerable-adults-from-financial-exploitation/>.

In short, the Model Act gives financial services industry and state regulators needed tools to help detect and prevent financial exploitation of older investors and those individuals who may be classified as vulnerable adults under existing state law. The Model Act mandates reporting to a state securities regulator and a state adult protective services agency when certain financial services professional have a reasonable belief that financial exploitation of an eligible adult has been attempted or has occurred. The Model Act empowers financial services firms to better protect investors by pausing suspicious disbursements and authorizes disclosure to third parties only in instances where an eligible adult previously has designated a third party to whom disclosure may be made. Finally, the Model Act directs that disclosures may not be made to the third party if the financial professional suspects the third party of financial exploitation.

II. Illinois Senate Bill No. 1551

S.B. 1551 would amend the Adult Protective Services Act to incorporate the Model Act's five core features that, when taken together, clarify and more closely align the interests and responsibilities of financial professionals, regulators, and law enforcement agencies regarding the reporting and preventing of senior financial exploitation. These features of the Model Act, as well as the citations to related language in S.B. 1551, are as follows:

1. A mandatory reporting requirement applicable to qualified individuals of broker-dealers and investment advisers (New Section 3);
2. Notification to certain third parties of potential financial exploitation with advance consent of the investor (New Section 5);
3. The authority to temporarily delay the disbursement of funds (New Section 7);
4. Immunity from civil and administrative liability for reporting, notifications, and delays (New Sections 4, 6, and 8); and
5. Mandatory record-sharing in cases of exploitation with law enforcement and state adult protective services agencies (New Section 9).

The Director of the Illinois Securities Department (“Department”) supports the legislation as written. He recommends changes. Notably, he requests that the bill be amended to require reporting to the Department. This request is consistent with the Model Act’s approach of requiring reporting to the adult protection services department and the securities department.³

Protecting investors, especially those who have worked to build secure financial futures, has been NASAA’s mission for over a century. We are, therefore, happy to support Illinois Senate Bill 1551 and to encourage adoption of the Director’s amendments.

We appreciate your request for NASAA’s position regarding the bill. Should you have any questions, please do not hesitate to contact me or Kristen Hutchens, NASAA’s Director of Policy and Government Affairs, and Policy Counsel, at khutchens@nasaa.org.

³ NASAA, [NASAA Legislative Commentary for the Model Act to Protect Vulnerable Adults from Financial Exploitation](#) (Last updated October 2024).

Sincerely,

A handwritten signature in black ink that reads "Leslie M. Van Buskirk". The signature is written in a cursive style with a large initial 'L' and 'M'.

Leslie M. Van Buskirk
NASAA President and
Administrator, Division of Securities
Wisconsin Department of Financial
Institutions

CC: F. Chet Taylor, Director of the Securities Department, Illinois Securities Department