



**NATIONAL ASSOCIATION OF
INSURANCE AND FINANCIAL ADVISORS OF KANSAS**

**Testimony of Travis Grauerholz
NAIFA Kansas, in Support of HB2562
Before the Senate Financial Institutions and Insurance Committee
March 6, 2024**

Mr. Chairman and Committee Members, thank you for the opportunity to provide testimony today on behalf of the members of NAIFA Kansas in support of HB2562.

HB2562 would enact the NASAA (North American Securities Administrators Association) model law that would give investment advisors and firms the tools to protect the elderly and vulnerable clients from being financially exploited. Forty-one states have passed the model law.

NAIFA Kansas members are engaged in offering insurance and other related financial services and occupy the unique position of liaison between the purchasers and the suppliers of insurance and closely related financial products. Part of the NAIFA Kansas code of ethics is to help clients to protect insurable obligations and attain their financial security objectives.

HB2562 would allow a firm to place a temporary hold on that transaction and notify the Kansas Insurance Department and Adult Protective Services (DCF) within 48 hours in the event an investment advisor representative or broker dealer agent reasonably believes that financial exploitation of an elderly or vulnerable adult is taking place, and if a transaction (change of beneficiary, accountholder information changes, withdrawal, other instructions) will lead to further financial exploitation. The Kansas Insurance Department and Adult Protective Services (DCF) would then conduct further investigations and what actions should be taken to prevent the exploitation.

NAIFA Kansas requests your support of HB2562. It will provide NAIFA members with the ability to help protect their most vulnerable clients from being exploited, as well as provide the Kansas Insurance Department with another tool they can use to investigate securities-related crimes and fraud.

Thank you for your consideration.

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