american securities association
America's Voice for Main Street's Investors

June 24, 2026

The Honorable Mike Johnson
Speaker
U.S. House of Representatives
Washington, DC 20510

The Honorable Hakeem Jeffries
Minority Leader
U.S. House of Representatives
Washington, DC 20510

Re: Financial Exploitation Prevention Act of 2025 (H.R. 2478)

Dear Speaker Johnson and Leader Jeffries:

The American Securities Association (ASA) [1] strongly supports the Financial Exploitation Prevention Act of 2025, H.R. 2478. This legislation is commonsense, targeted, and long overdue. Congress should move it to the President's desk without delay.

Financial exploitation of seniors is a national crisis. According to AARP, financial predators steal more than $28 billion from older Americans every year.[2] The FBI reports that Americans aged 60 and older lost nearly $8 billion to cyber scams in 2025 alone—a 37 percent increase in a single year.[3] One in five Americans over the age of 65 has been a victim of financial exploitation. Seniors are especially vulnerable to increasingly sophisticated scams that target their life savings.

Today, financial firms that identify red flags of exploitation often face a stark choice: process a transaction they believe is fraudulent or risk liability for delay. That position places an unacceptable burden on firms that are trying to protect their clients.

H.R. 2478 provides a direct and workable solution. The bill gives registered open-end investment companies and transfer agents clear legal authority to temporarily delay a security redemption—up to 15 business days, with a possible 10-day extension—when they reasonably believe the transaction is the product of financial exploitation of a senior or vulnerable adult. During any delay, the funds must be held in a demand deposit account, ensuring the assets remain liquid,

[1] The ASA is a trade association that represents the retail and institutional capital markets interests of regional financial services firms who provide Main Street businesses with access to capital and advise hardworking Americans how to create and preserve wealth. The ASA's mission is to promote trust and confidence among investors, facilitate capital formation, and support efficient and competitively balanced capital markets. This mission advances financial independence, stimulates job creation, and increases prosperity. The ASA has a geographically diverse membership base that spans the Heartland, Southwest, Southeast, Atlantic, and Pacific Northwest regions of the United States.

[2] https://www.aarp.org/press/releases/2023-06-15-aarp-report-finds-28-billion-a-year-is-stolen-from-us-adults-over-60.html

[3] https://www.fbi.gov/news/press-releases/cryptocurrency-and-ai-scams-bilk-americans-of-billions

accessible, and fully protected while the firm investigates the suspected exploitation. The framework is targeted, proportionate, and protective of investor rights.

ASA has long advocated for regulatory frameworks that empower firms to act when they see fraud—without subjecting investors who have done nothing wrong to excessive holds, onerous data collection, or bureaucratic overreach. This bill strikes that balance. The bill earned unanimous, bipartisan support -- passing out of the House Financial Services Committee 50-to-0. It enjoys broad support across the financial services industry. It represents Congress at its best: delivering real, practical protection for the most vulnerable investors in our markets.

The threat environment is only getting worse. Bad actors are deploying artificial intelligence to generate deepfake videos and cloned voices to impersonate trusted figures and solicit funds from seniors. Pig butchering schemes are long-con fraud operations that combine romance scams with fake investment platforms, and they are devastating retirement accounts across the country. State regulators investigated more than 1,600 cases involving senior victims in 2024 alone. The Financial Exploitation Prevention Act gives the financial industry a meaningful tool to intervene before the money is gone and before the damage becomes irreversible.

ASA urges swift action on this legislation. America's seniors cannot wait. Every day that Congress delays is another day financial predators operate without consequence. We stand ready to work with you and your colleagues to see this bill across the finish line.

Respectfully,

Christopher A. Iacovella

Christopher A. Iacovella
President and Chief Executive Officer
American Securities Association