

UNDERSTANDING POWERS OF ATTORNEY



What is a Power of Attorney?

- A Power of Attorney (POA) is a legal document where a person (the principal) gives someone else (the agent) permission to handle their money and/or property or sign documents on their behalf.
- Signing a POA means a person is *sharing* the power to make decisions about their money and property with their chosen agent. The person can still make their own decisions and still owns all their money and property.
- An agent cannot make medical decisions for someone else using a POA. (*Choose a medical decision-maker with a [Health Care Proxy](#)*).

Are there different kinds of Powers of Attorney?

- Durable: A *durable* POA is the most common type because it stays active even when the principal loses decision-making capacity. It ends only when the principal passes away or revokes it.
- Limited Duration: A POA can have an expiration date or expire after the completion of a specific task, like signing a lease.
- Springing: A “*springing*” POA only becomes active after a specified event, such as a doctor certifying that the principal has lost the capacity to manage their own finances.

What are the benefits of a Power of Attorney?

Having a POA can provide a sense of security. An agent can help someone manage their finances immediately, if an event occurs and they need help, or if they become unable to manage their finances in the future.

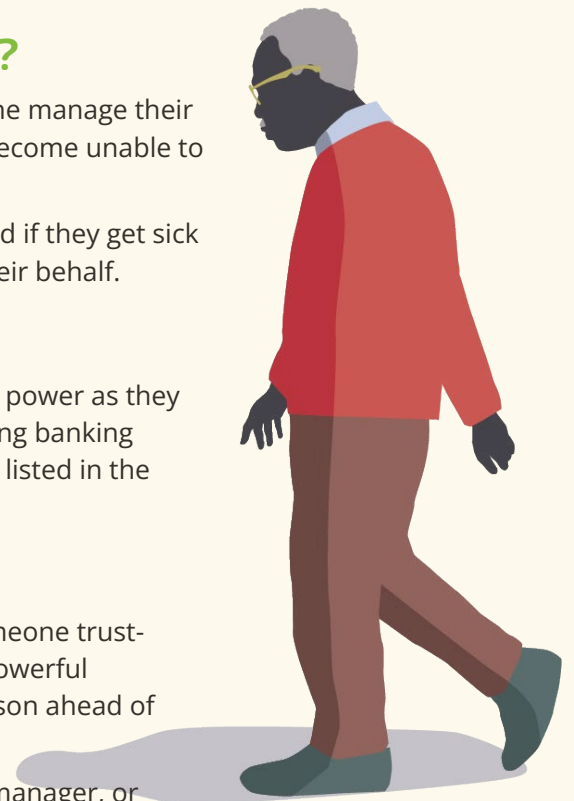
For example, a POA allows an agent to make sure a person’s bills are paid if they get sick or renew health insurance and speak with the insurance company on their behalf.

What can an agent do for someone?

A person can customize their POA to give their agent as much or as little power as they like. The [standard form](#) includes a list of powers to choose from, including banking transactions, tax matters, and insurance transactions. Other powers not listed in the standard form can be added.

Who can be an agent?

- Anyone 18 and older can be an agent. It’s important to choose someone trustworthy, like a close family member or friend, because a POA is a powerful document. An agent doesn’t have to ask permission or tell the person ahead of time when they act on their behalf.
- A person can also choose a professional, like an attorney, money manager, or accountant, to be their agent. These professionals usually charge fees for their services.



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How does someone make a Power of Attorney?

- A POA must be notarized and signed by the principal, their agent, and two witnesses.
- [More information on POAs](#) is available online from the Legal Aid Society of Northeastern New York.
- The [standard POA form](#) is also available online from the New York State Bar Association.

What should somebody do with their Power of Attorney once they sign it?

- Keep the original POA in a safe spot. Some places, like banks, will want to see the original before taking a copy.
- A person should give a copy of their POA to the people and places where they want their agent to act on their behalf like a landlord or insurance company. The agent should also have a copy of the POA.

What if someone changes their mind or doesn't like what their agent is doing?

- A person can make changes to their POA at any time as long as they have capacity. Capacity means a person understands what the POA is for and what the consequences are when they change it or sign a new one.
- A person can remove their current agent and choose a different one, give their agent more or less power, or cancel their POA entirely.

Project Guardianship is piloting a POA Program to serve as the POA Agent for older New Yorkers who cannot afford private fiduciary services. The pilot is currently taking limited referrals from community partners. For more information, please contact POA@projectguardianship.org.