

Union Calendar No. 510

114TH CONGRESS
2D SESSION

H. R. 4538

[Report No. 114–659]

To provide immunity from suit for certain individuals who disclose potential examples of financial exploitation of senior citizens, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 11, 2016

Ms. SINEMA (for herself, Mr. POLIQUIN, Mr. MULVANEY, and Mr. MURPHY of Florida) introduced the following bill; which was referred to the Committee on Financial Services

JULY 5, 2016

Additional sponsors: Ms. MCSALLY, Mr. KING of New York, Ms. PINGREE, Mr. HULTGREN, Mr. BEYER, Mr. PEARCE, Mr. CURBELO of Florida, Mrs. WAGNER, Mr. POSEY, Mr. YOUNG of Iowa, Mr. RENACCI, and Ms. WASSERMAN SCHULTZ

JULY 5, 2016

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on February 11, 2016]

A BILL

To provide immunity from suit for certain individuals who disclose potential examples of financial exploitation of senior citizens, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “SeniorSafe Act of 2016”.*

5 **SEC. 2. IMMUNITY.**

6 (a) *DEFINITIONS.—In this Act—*

7 (1) *the term “Bank Secrecy Act Officer” means*
 8 *an individual responsible for ensuring compliance*
 9 *with the requirements mandated by subchapter II of*
 10 *chapter 53 of title 31, United States Code;*

11 (2) *the term “broker-dealer” means a broker or*
 12 *dealer, as those terms are defined, respectively, in sec-*
 13 *tion 3(a) of the Securities Exchange Act of 1934 (15*
 14 *U.S.C. 78c(a));*

15 (3) *the term “covered agency” means—*

16 (A) *a State financial regulatory agency, in-*
 17 *cluding a State securities or law enforcement au-*
 18 *thority;*

19 (B) *each of the Federal financial institu-*
 20 *tions regulatory agencies;*

21 (C) *the Securities and Exchange Commis-*
 22 *sion;*

23 (D) *a law enforcement agency; and*

24 (E) *and State or local agency responsible*
 25 *for administering adult protective service laws;*

1 (4) the term “covered financial institution”
2 *means—*

3 (A) a credit union;

4 (B) a depository institution;

5 (C) an investment advisor;

6 (D) a broker-dealer; and

7 (E) an insurance company;

8 (5) the term “credit union” has the meaning
9 *given that term in section 2 of the Dodd-Frank Wall*
10 *Street Reform and Consumer Protection Act (12*
11 *U.S.C. 5301);*

12 (6) the term “depository institution” has the
13 *meaning given the term in section 3(a) of the Federal*
14 *Deposit Insurance Act (12 U.S.C. 1813(a));*

15 (7) the term “exploitation” means the fraudulent
16 *or otherwise illegal, unauthorized, or improper act or*
17 *process of an individual, including a caregiver or fi-*
18 *duciary, that—*

19 (A) uses the resources of a senior citizen for
20 *monetary personal benefit, profit, or gain; or*

21 (B) results in depriving a senior citizen of
22 *rightful access to or use of benefits, resources, be-*
23 *longings or assets;*

24 (8) the term “Federal financial institutions reg-
25 *ulatory agencies” has the meaning given the term in*

1 *section 1003 of the Federal Financial Institutions Ex-*
2 *amination Council Act of 1978 (12 U.S.C. 3302);*

3 *(9) the term “investment adviser” has the mean-*
4 *ing given the term in section 202 of the Investment*
5 *Advisers Act of 1940 (15 U.S.C. 80b-2);*

6 *(10) the term “insurance company” has the*
7 *meaning given the term in section 2(a) of the Invest-*
8 *ment Company Act of 1940 (15 U.S.C. 80a-2(a));*

9 *(11) the term “registered representative” means*
10 *an individual who represents a broker-dealer in effect-*
11 *ing or attempting to affect a purchase or sale of secu-*
12 *rities;*

13 *(12) the term “senior citizen” means an indi-*
14 *vidual who is not less than 65 years of age; and*

15 *(13) the term “State securities or law enforce-*
16 *ment authority” has the meaning given the term in*
17 *section 24(f)(4) of the Securities Exchange Act of*
18 *1934 (15 U.S.C. 78x(f)(4)).*

19 *(b) IMMUNITY FROM SUIT.—*

20 *(1) IMMUNITY FOR INDIVIDUALS.—An individual*
21 *who has received the training described in section 3*
22 *shall not be liable, including in any civil or adminis-*
23 *trative proceeding, for disclosing the possible exploi-*
24 *tation of a senior citizen to a covered agency if the*
25 *individual, at the time of the disclosure—*

(A) served as a supervisor, compliance officer (including a Bank Secrecy Act Officer), or registered representative for a covered financial institution; and

(B) made the disclosure with reasonable care including reasonable efforts to avoid disclosure other than to a covered agency.

(2) **IMMUNITY FOR COVERED FINANCIAL INSTITUTIONS.**—A covered financial institution shall not be liable, including in any civil or administrative proceeding, for a disclosure made by an individual described in paragraph (1) if—

(A) the individual was employed by, or, in the case of a registered representative, affiliated or associated with, the covered financial institution at the time of the disclosure; and

(B) before the time of the disclosure, the covered financial institution provided the training described in section 3 to each individual described in section 3(a).

SEC. 3. TRAINING REQUIRED.

(a) **IN GENERAL.**—A covered financial institution may provide training described in subsection (b)(1) to each officer or employee of, or registered representative affiliated or associated with, the covered financial institution who—

1 (1) *is described in section 2(b)(1)(A);*

2 (2) *may come into contact with a senior citizen*
3 *as a regular part of the duties of the officer, employee,*
4 *or registered representative; or*

5 (3) *may review or approve the financial docu-*
6 *ments, records, or transactions of a senior citizen in*
7 *connection with providing financial services to a sen-*
8 *ior citizen.*

9 (b) *TRAINING.—*

10 (1) *IN GENERAL.—The training described in this*
11 *paragraph shall—*

12 (A) *instruct any individual attending the*
13 *training on how to identify and report the sus-*
14 *pected exploitation of a senior citizen;*

15 (B) *discuss the need to protect the privacy*
16 *and respect the integrity of each individual cus-*
17 *tomers of a covered financial institution; and*

18 (C) *be appropriate to the job responsibilities*
19 *of the individual attending the training.*

20 (2) *TIMING.—The training required under sub-*
21 *section (a) shall be provided as soon as reasonably*
22 *practicable but not later than 1 year after the date*
23 *on which an officer, employee, or registered represent-*
24 *ative begins employment with or becomes affiliated or*
25 *associated with the covered financial institution.*

1 (3) *BANK SECRECY ACT OFFICER.*—An indi-
2 vidual who is designated as a compliance officer
3 under an anti-money laundering program established
4 pursuant to section 5318(h) of title 31, United States
5 Code, shall be deemed to have received the training
6 described under this subsection.

7 **SEC. 4. RELATIONSHIP TO STATE LAW.**

8 *Nothing in this Act shall be construed to preempt or*
9 *limit any provision of State law, except only to the extent*
10 *that section 2 provides a greater level of protection against*
11 *liability to an individual described in section 2(b)(1) or*
12 *to a covered financial institution described in section*
13 *2(b)(2) than is provided under State law.*

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