

114TH CONGRESS
2D SESSION

H. R. 4538

IN THE SENATE OF THE UNITED STATES

JULY 6, 2016

Received

AN ACT

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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Senior Safe Act of
3 2016”.

4 **SEC. 2. IMMUNITY.**

5 (a) DEFINITIONS.—In this Act—

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

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

14 (3) the term “covered agency” means—

15 (A) a State financial regulatory agency, in-
16 cluding a State securities or law enforcement
17 authority and a State insurance regulator;

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

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

22 (D) a law enforcement agency;

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

26 (F) a State attorney general.

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;
7 (E) an insurance company; and
8 (F) a State attorney general.

9 (5) the term “credit union” means a Federal
10 credit union, State credit union, or State-chartered
11 credit union, as those terms are defined in section
12 101 of the Federal Credit Union Act (12 U.S.C.
13 1752);

14 (6) the term “depository institution” has the
15 meaning given the term in section 3(c) of the Fed-
16 eral Deposit Insurance Act (12 U.S.C. 1813(c));

17 (7) the term “exploitation” means the fraudu-
18 lent or otherwise illegal, unauthorized, or improper
19 act or process of an individual, including a caregiver
20 or fiduciary, that—

- 21 (A) uses the resources of a senior citizen
22 for monetary personal benefit, profit, or gain;
23 or

1 (B) results in depriving a senior citizen of
2 rightful access to or use of benefits, resources,
3 belongings or assets;

4 (8) the term “Federal financial institutions reg-
5 ulatory agencies” has the meaning given the term in
6 section 1003 of the Federal Financial Institutions
7 Examination Council Act of 1978 (12 U.S.C. 3302);

8 (9) the term “investment adviser” has the
9 meaning given the term in section 202 of the Invest-
10 ment Advisers Act of 1940 (15 U.S.C. 80b–2);

11 (10) the term “insurance company” has the
12 meaning given the term in section 2(a) of the Invest-
13 ment Company Act of 1940 (15 U.S.C. 80a–2(a));

14 (11) the term “registered representative”
15 means an individual who represents a broker-dealer
16 in effecting or attempting to affect a purchase or
17 sale of securities;

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

20 (13) the term “State insurance regulator” has
21 the meaning given such term in section 315 of the
22 Gramm-Leach-Bliley Act (15 U.S.C. 6735); and

23 (14) the term “State securities or law enforce-
24 ment authority” has the meaning given the term in

1 section 24(f)(4) of the Securities Exchange Act of
2 1934 (15 U.S.C. 78x(f)(4)).

3 (b) IMMUNITY FROM SUIT.—

4 (1) IMMUNITY FOR INDIVIDUALS.—An indi-
5 vidual who has received the training described in
6 section 3 shall not be liable, including in any civil or
7 administrative proceeding, for disclosing the possible
8 exploitation of a senior citizen to a covered agency
9 if the individual, at the time of the disclosure—

10 (A) served as a supervisor, compliance offi-
11 cer (including a Bank Secrecy Act Officer), or
12 registered representative for a covered financial
13 institution; and

14 (B) made the disclosure with reasonable
15 care including reasonable efforts to avoid disclo-
16 sure other than to a covered agency.

17 (2) IMMUNITY FOR COVERED FINANCIAL INSTI-
18 TUTIONS.—A covered financial institution shall not
19 be liable, including in any civil or administrative pro-
20 ceeding, for a disclosure made by an individual de-
21 scribed in paragraph (1) if—

22 (A) the individual was employed by, or, in
23 the case of a registered representative, affiliated
24 or associated with, the covered financial institu-
25 tion at the time of the disclosure; and

1 (B) before the time of the disclosure, the
2 covered financial institution provided the train-
3 ing described in section 3 to each individual de-
4 scribed in section 3(a).

5 **SEC. 3. TRAINING REQUIRED.**

6 (a) IN GENERAL.—A covered financial institution
7 may provide training described in subsection (b)(1) to
8 each officer or employee of, or registered representative
9 affiliated or associated with, the covered financial institu-
10 tion who—

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

12 (2) may come into contact with a senior citizen
13 as a regular part of the duties of the officer, em-
14 ployee, or registered representative; or

15 (3) may review or approve the financial docu-
16 ments, records, or transactions of a senior citizen in
17 connection with providing financial services to a sen-
18 ior citizen.

19 (b) TRAINING.—

20 (1) IN GENERAL.—The training described in
21 this paragraph shall—

22 (A) instruct any individual attending the
23 training on how to identify and report the sus-
24 pected exploitation of a senior citizen;

1 (B) discuss the need to protect the privacy
2 and respect the integrity of each individual cus-
3 tomer of a covered financial institution; and

4 (C) be appropriate to the job responsibil-
5 ities of the individual attending the training.

6 (2) TIMING.—The training required under sub-
7 section (a) shall be provided as soon as reasonably
8 practicable but not later than 1 year after the date
9 on which an officer, employee, or registered rep-
10 resentative begins employment with or becomes af-
11 filiated or associated with the covered financial insti-
12 tution.

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

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

20 Nothing in this Act shall be construed to preempt or
21 limit any provision of State law, except only to the extent
22 that section 2 provides a greater level of protection against
23 liability to an individual described in section 2(b)(1) or

1 to a covered financial institution described in section
2 2(b)(2) than is provided under State law.

Passed the House of Representatives July 5, 2016.

Attest:

KAREN L. HAAS,
Clerk.