S T A T E O F N E W Y O R K

5707

2013-2014 Regular Sessions

I N S E N A T E

June 6, 2013

Introduced by Sens. ADAMS, DIAZ, KLEIN, PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Aging

AN ACT to amend the social services law and the banking law, in relation to authorizing banking organizations to refuse to disburse moneys in circumstances of the financial exploitation of a vulnerable adult

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Section 473 of the social services law is amended by adding a new subdivision 8 to read as follows:

8. (A) AS USED IN THIS SUBDIVISION:

(I) "BANKING ORGANIZATION" MEANS A BANKING ORGANIZATION AS DEFINED IN SUBDIVISION ELEVEN OF SECTION TWO OF THE BANKING LAW.

(II) "VULNERABLE ADULT" MEANS AN INDIVIDUAL WHO BECAUSE OF MENTAL AND/OR PHYSICAL IMPAIRMENT, IS UNABLE TO MANAGE HIS OR HER OWN RESOURCES, OR PROTECT HIMSELF OR HERSELF FROM FINANCIAL EXPLOITATION.

(B) IF A BANKING ORGANIZATION, SOCIAL SERVICES OFFICIAL OR LAW ENFORCEMENT AGENCY REASONABLY BELIEVES THAT FINANCIAL EXPLOITATION OF A VULNERABLE ADULT HAS OCCURRED OR MAY OCCUR, THE BANKING ORGANIZATION MAY, BUT SHALL NOT BE REQUIRED TO, REFUSE ANY TRANSACTION REQUIRING THE DISPERSAL OF MONEYS IN THE ACCOUNT OF:

(I) A VULNERABLE ADULT;

(II) WHICH A VULNERABLE ADULT IS A BENEFICIARY, INCLUDING TRUST AND GUARDIANSHIP ACCOUNTS; AND

(III) A PERSON WHO IS SUSPECTED OF ENGAGING IN THE FINANCIAL EXPLOITATION OF A VULNERABLE ADULT.

(C) A BANKING ORGANIZATION MAY ALSO REFUSE TO DISBURSE MONEYS PURSUANT TO THIS SUBDIVISION IF A SOCIAL SERVICES OFFICIAL OR LAW ENFORCEMENT AGENCY PROVIDES INFORMATION TO SUCH ORGANIZATION DEMONSTRATING THAT IT IS REASONABLE TO BELIEVE THAT FINANCIAL EXPLOITATION OF A VULNERABLE ADULT HAS OCCURRED OR MAY OCCUR.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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(D) A BANKING ORGANIZATION SHALL NOT BE REQUIRED TO REFUSE TO DISBURSE FUNDS PURSUANT TO THIS SECTION. SUCH A REFUSAL SHALL BE IN THE BANKING ORGANIZATION'S DISCRETION, BASED ON THE INFORMATION AVAILABLE TO SUCH ORGANIZATION.

(E) ANY BANKING ORGANIZATION WHICH REFUSES TO DISBURSE MONEYS PURSUANT TO THIS SUBDIVISION SHALL:

(I) MAKE A REASONABLE EFFORT TO PROVIDE NOTICE, ORALLY OR IN WRITING, TO ALL PARTIES AUTHORIZED TO TRANSACT BUSINESS ON THE ACCOUNT FROM WHICH DISBURSEMENT WAS REFUSED; AND

(II) REPORT THE INCIDENT TO THE SOCIAL SERVICES OFFICIAL RESPONSIBLE FOR ADMINISTERING ADULT PROTECTIVE SERVICES PURSUANT TO THIS ARTICLE FOR THE AFFECTED VULNERABLE ADULT.

(F) THE REFUSAL TO DISBURSE MONEYS PURSUANT TO THIS SUBDIVISION SHALL TERMINATE UPON THE EARLIER OF:

(I) THE TIME AT WHICH THE BANKING ORGANIZATION IS SATISFIED THAT THE DISBURSEMENT WILL NOT RESULT IN THE FINANCIAL EXPLOITATION OF A VULNERABLE ADULT; OR

(II) THE ISSUANCE OF AN ORDER BY A COURT OF COMPETENT JURISDICTION, DIRECTING THE DISPERSAL OF THE MONEYS.

(G) A BANKING ORGANIZATION MAY PROVIDE ACCESS TO OR COPIES OF RECORDS RELEVANT TO SUSPECTED FINANCIAL EXPLOITATION OF A VULNERABLE ADULT TO LAW ENFORCEMENT AGENCIES AND SOCIAL SERVICES OFFICIALS RESPONSIBLE FOR ADMINISTERING THE PROVISIONS OF THIS ARTICLE. SUCH RECORDS MAY INCLUDE RELEVANT HISTORICAL RECORDS AND RECENT TRANSACTIONS RELATING TO SUSPECTED FINANCIAL EXPLOITATION.

(H) A BANKING ORGANIZATION OR AN EMPLOYEE OF SUCH AN ORGANIZATION SHALL BE IMMUNE FROM CRIMINAL, CIVIL OR ADMINISTRATIVE LIABILITY FOR REFUSING TO DISBURSE MONEYS OR DISBURSING MONEYS PURSUANT TO THIS SUBDIVISION, AND FOR ACTIONS TAKEN IN FURTHERANCE OF THAT DETERMINATION, INCLUDING THE MAKING OF A REPORT OR THE PROVIDING OF ACCESS TO OR COPIES OF RELEVANT RECORDS TO A SOCIAL SERVICES OFFICIAL OR LAW ENFORCEMENT AGENCY, IF SUCH DETERMINATIONS AND ACTIONS WERE MADE IN GOOD FAITH AND IN ACCORDANCE WITH THE PROVISIONS OF THIS SUBDIVISION.

S 2. Section 4 of the banking law is amended by adding a new subdivision 4 to read as follows:

4. A BANKING ORGANIZATION OR AN EMPLOYEE OF SUCH AN ORGANIZATION SHALL BE IMMUNE FROM CRIMINAL, CIVIL OR ADMINISTRATIVE LIABILITY FOR REFUSING TO DISBURSE MONEYS OR DISBURSING MONEYS PURSUANT TO SUBDIVISION EIGHT OF SECTION FOUR HUNDRED SEVENTY-THREE OF THE SOCIAL SERVICES LAW, AND FOR ACTIONS TAKEN IN FURTHERANCE OF THAT DETERMINATION, INCLUDING THE MAKING OF A REPORT OR THE PROVIDING OF ACCESS TO OR COPIES OF RELEVANT RECORDS TO A SOCIAL SERVICES OFFICIAL OR LAW ENFORCEMENT AGENCY, IF SUCH DETERMINATIONS AND ACTIONS WERE MADE IN GOOD FAITH AND IN ACCORDANCE WITH SUBDIVISION EIGHT OF SECTION FOUR HUNDRED SEVENTY-THREE OF THE SOCIAL SERVICES LAW.

S 3. This act shall take effect on the one hundred eightieth day after it shall have become a law.