

STATE OF NEW YORK

4631

2019-2020 Regular Sessions

IN ASSEMBLY

February 4, 2019

Introduced by M. of A. WRIGHT, M. G. MILLER, D'URSO, SIMON, WALKER, MOSLEY, CRESPO, PEOPLES-STOKES, WILLIAMS, JEAN-PIERRE -- read once and referred to the Committee on Aging

AN ACT to amend the banking law, in relation to establishing the opt in program for reporting of suspected financial exploitation

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The banking law is amended by adding a new article 2-D to
2 read as follows:

ARTICLE 2-D

FINANCIAL EXPLOITATION

5 Section 90. Opt in program for reporting of suspected financial exploi-
6 tation.

7 § 90. Opt in program for reporting of suspected financial exploita-
8 tion. 1. As used in this article:

9 (a) "adult protective services agency" shall mean a local social
10 services office providing adult protective services pursuant to section
11 four hundred seventy-three of the social services law;

12 (b) "financial exploitation" shall mean improper use of an adult's
13 funds, property or resources by another individual, including but not
14 limited to, fraud, false pretenses, embezzlement, conspiracy, forgery,
15 falsifying records, coerced property transfers, or denial of access to
16 assets; and

17 (c) "financial institution" shall mean banks, trust companies, private
18 bankers, savings banks, licensed lenders, savings and loan associations,
19 credit unions, investment companies, mutual trust investment companies,
20 and banking organizations as defined in section two of this chapter that
21 are licensed by the superintendent.

22 (d) "account holder" shall mean an individual who has an individual or
23 joint account with a financial institution.

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

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1 2. The department shall develop a program whereby a financial institu-
2 tion shall be required to report suspected financial exploitation of a
3 participating account holder to the appropriate adult protective
4 services agency and appropriate law enforcement. This program shall
5 operate as follows:

6 (a) Participation in this program shall be offered to all account
7 holders;

8 (b) Such participation shall be voluntary for account holders;

9 (c) An account holder may revoke his or her participation at any time
10 in the form and manner prescribed by the department;

11 (d) If an officer, director, agent or employee of a financial institu-
12 tion, acting in his or her official capacity, has cause to suspect
13 financial exploitation of an account holder participating in such
14 program, such officer, director, agent or employee shall report, or
15 cause to be reported, such suspected financial exploitation in accord-
16 ance with rules and regulations promulgated by the department on a form
17 prescribed by the department;

18 (e) The department shall develop a form for use by financial insti-
19 tutions that an account holder may complete in order to participate in
20 this program and a form by which an account holder may revoke his or her
21 participation;

22 (f) The original form shall be kept on file by the financial institu-
23 tion as long as the account holder maintains an account with such finan-
24 cial institution and a copy shall be forwarded to the department and the
25 account holder; and

26 (g) The superintendent, in consultation with the director of the
27 office for the aging, the attorney general, representatives of the
28 financial services industry, law enforcement, senior groups, senior
29 centers, independent living centers, disability groups, the New York
30 state office for the prevention of domestic violence, and district
31 attorneys, shall develop:

32 (1) guidelines for when, how and to whom suspected financial exploita-
33 tion should be reported, whether to adult protective services and/or
34 appropriate law enforcement;

35 (2) identification of warning signs and evidence that would be accept-
36 able indicators of financial exploitation and that may be used to deter-
37 mine a reasonable basis for reporting suspected financial exploitation;

38 (3) information that should be included in a report of suspected
39 financial abuse; and

40 (4) the applicable laws, rules and regulations that must be followed
41 while reporting suspected financial abuse.

42 3. The superintendent, in consultation with the director of the office
43 for the aging, the attorney general, representatives of the financial
44 services industry, law enforcement, senior groups, senior centers, inde-
45 pendent living centers, disability groups, the New York state office for
46 the prevention of domestic violence, and district attorneys, shall
47 develop:

48 (a) training for bank employees concerning the guidelines of developed
49 pursuant to subdivision two of this section that shall include disabili-
50 ty literacy training; and

51 (b) a brochure educating bank customers regarding the reporting of
52 financial exploitation and how to report that they are being exploited.

53 4. An account holder who has opted to participate in this program and
54 whose participation has not been revoked shall be deemed to have given
55 permission for reports of suspected financial exploitation to be
56 referred to appropriate law enforcement, providing that such reports are

1 made in accordance with rules and regulations prescribed by the depart-
2 ment.

3 5. If an account holder has revoked participation in the program, such
4 revocation shall be effective upon receipt of such revocation by the
5 financial institution. Thereafter, no report of suspected financial
6 exploitation shall be deemed required by this section unless such
7 account holder chooses to participate in the program again at a later
8 point in time.

9 6. A financial institution located or doing business in this state or
10 an employee thereof who acts reasonably and in good faith in accordance
11 with this section shall have immunity from any civil liability that
12 might otherwise result by reason of such actions.

13 7. Any information or documentation submitted pursuant to this section
14 shall not be subject to disclosure under article six of the public offi-
15 cers law.

16 8. Nothing in this section shall be deemed to alter or negate the
17 duties of any financial institution or any officer, director, agent, or
18 employee thereof established by any other provision of law.

19 § 2. This act shall take effect on the sixtieth day after it shall
20 have become a law.