AN ACT

Amending Title 23 (Domestic Relations) of the Pennsylvania Consolidated Statutes, providing for vulnerable adult protection.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Title 23 of the Pennsylvania Consolidated Statutes is amended by adding a chapter to read:

CHAPTER 64

VULNERABLE ADULT PROTECTION

Sec.

6401. Short title of chapter.

6402. Definitions.

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6408. Immunity for delaying disbursements.

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§ 6401. Short title of chapter.

This chapter shall be known and may be cited as the Protect Vulnerable Adults from Financial Exploitation Act.

§ 6402. Definitions.

The following words and phrases when used in this chapter shall have the meanings given to them in this section unless the context clearly indicates otherwise:


"Broker-dealer." As defined in section 102 of the Pennsylvania Securities Act of 1972.

"Commission." The Banking and Securities Commission of the Commonwealth as established under Subarticle C of Article XI-A of the act of May 15, 1933 (P.L.565, No.111), known as the Department of Banking and Securities Code.

"Eligible adult." Any of the following:

(1) An individual who is at least 60 years of age.

(2) An individual who is subject to the act of October 7, 2010 (P.L.484, No.70), known as the Adult Protective Services Act.

"Financial exploitation." Any of the following:

(1) The wrongful or unauthorized taking, withholding, appropriation or use of money, assets or property of an eligible adult.

(2) The act or omission taken by a person, including through the use of power of attorney, guardianship or
conservatorship of an eligible adult to:

(i) obtain control through deception, intimidation or undue influence over the eligible adult's money, assets or property to deprive the eligible adult of the ownership, use, benefit or possession of the eligible adult's money, assets or property; or

(ii) convert the money, assets or property of the eligible adult to deprive the eligible adult of ownership, use, benefit or possession of the eligible adult's money, assets or property.

"Investment adviser." As defined in section 102 of the Pennsylvania Securities Act of 1972.

"Investment adviser representative." As defined in section 102 of the Pennsylvania Securities Act of 1972.

"Qualified individual." An agent, investment adviser representative or person who serves in a supervisory, compliance or legal capacity for a broker-dealer or investment adviser.

§ 6403. Governmental disclosures.

If a qualified individual reasonably believes that financial exploitation of an eligible adult may have occurred, may have been attempted or is being attempted, the qualified individual shall promptly notify the Department of Human Services or the Department of Aging, whichever is applicable, and the commission.

§ 6404. Immunity for governmental disclosures.

A qualified individual that, in good faith and exercising reasonable care, makes a disclosure of information under section 6403 (relating to governmental disclosures) shall be immune from administrative or civil liability that might otherwise arise from the disclosure or for any failure to notify a customer of
§ 6405. Third-party disclosures.

If a qualified individual reasonably believes that financial exploitation of an eligible adult may have occurred, may have been attempted or is being attempted, a qualified individual may notify any third party previously designated by the eligible adult. Disclosure under this section may not be made to any designated third party that is suspected of financial exploitation or other abuse of the eligible adult.

§ 6406. Immunity for third-party disclosures.

A qualified individual that, in good faith and exercising reasonable care, complies with section 6405 (relating to third-party disclosures) shall be immune from any administrative or civil liability that might otherwise arise from the disclosure.

§ 6407. Delaying disbursements.

(a) Delay.--A broker-dealer or investment adviser may delay a disbursement of funds from an account of an eligible adult or an account on which the eligible adult is a beneficiary if:

(1) the broker-dealer, investment adviser or qualified individual reasonably believes, after initiating an internal review of the requested disbursement of funds, that the requested disbursement may result in financial exploitation of the eligible adult; and

(2) the broker-dealer or investment adviser:

(i) immediately, but in no event more than two business days after the requested disbursement of funds, provides written notice of the delay and the reason for the delay to all parties authorized to transact business on the account, unless any such party is reasonably believed to have engaged in suspected or attempted financial exploitation;
financial exploitation of an eligible adult;

(ii) immediately, but in no event more than two
business days after the requested disbursement of funds,
provides notice of the delay and the reason for the delay
to the Department of Human Services or the Department of
Aging, whichever is applicable, and the commission; and

(iii) continues the internal review of the suspected
or attempted financial exploitation of the eligible adult
under paragraph (1), as necessary, and reports the
investigation's results to the Department of Human
Services or the Department of Aging, whichever is
applicable, and the commission within seven business days
after the requested disbursement of funds.

(b) Expiration.--Except as provided under subsection (c), a
delay of the disbursement of funds under subsection (a) shall
expire upon:

(1) a determination by the broker-dealer or investment
adviser that the disbursement of funds will not result in
financial exploitation of the eligible adult; or

(2) fifteen business days after the date of the delay of
the disbursement of the funds, whichever is earlier.

(c) Extensions.--The following apply:

(1) The Department of Human Services, the Department of
Aging or the commission may extend the delay of the
disbursement of funds under subsection (b)(2). An extension
under this paragraph shall expire no later 25 business days
after the date of the delay under subsection (a), unless
terminated earlier by the Department of Human Services, the
Department of Aging, the commission or an order of a court of
competent jurisdiction.
(2) A court of competent jurisdiction may enter an order extending the delay of the disbursement of funds under subsection (b)(2) or may order other relief based on the petition of the Department of Human Services, the Department of Aging, the commission or the broker-dealer or the investment adviser that initiated the delay or other interested party.

§ 6408. Immunity for delaying disbursements.

A broker-dealer or investment adviser that, in good faith and exercising reasonable care, complies with section 6407 (relating to delaying disbursements) shall be immune from any administrative or civil liability that may otherwise arise from the delay of disbursement of funds.

§ 6409. Access to records.

(a) Access.--A broker-dealer or investment adviser shall provide access to or copies of records that are relevant to the suspected or attempted financial exploitation of an eligible adult to the Department of Human Services or the Department of Aging, whichever is applicable, the commission and law enforcement as part of a referral of the suspected or attempted financial exploitation or upon request. The records may include historical records or records of the most recent transactions that indicate financial exploitation of an eligible adult.

(b) Records.--A record made available under subsection (a) shall not be considered a public record as defined in section 102 of the act of February 14, 2008 (P.L.6, No.3), known as the Right-to-Know Law.

(c) Construction.--Nothing in this section shall be construed to limit or otherwise impede the authority of the commission to access or examine the books and records of broker-dealers.
dealers and investment advisers as otherwise provided by the laws of this Commonwealth.

§ 6410. Administration.

The Department of Human Services and the Department of Aging shall promulgate rules and regulations necessary for the administration of this chapter.

Section 2. This act shall take effect in 60 days.