
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2687 Session of
2018

INTRODUCED BY BURNS, BOBACK, THOMAS, HAGGERTY, DRISCOLL, WARREN,
KINSEY, J. McNEILL, CALTAGIRONE, ROZZI AND HILL-EVANS,
OCTOBER 2, 2018

REFERRED TO COMMITTEE ON AGING AND OLDER ADULT SERVICES,
OCTOBER 2, 2018

AN ACT

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

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

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

8 CHAPTER 64

9 VULNERABLE ADULT PROTECTION

10 Sec.

11 6401. Short title of chapter.

12 6402. Definitions.

13 6403. Governmental disclosures.

14 6404. Immunity for governmental disclosures.

15 6405. Third-party disclosures.

16 6406. Immunity for third-party disclosures.

17 6407. Delaying disbursements.

1 6408. Immunity for delaying disbursements.

2 6409. Access to records.

3 6410. Administration.

4 § 6401. Short title of chapter.

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

7 § 6402. Definitions.

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

11 "Agent." As defined in section 102 of the act of December 5,
12 1972 (P.L.1280, No.284), known as the Pennsylvania Securities
13 Act of 1972.

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

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

20 "Eligible adult." Any of the following:

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

22 (2) An individual who is subject to the act of October
23 7, 2010 (P.L.484, No.70), known as the Adult Protective
24 Services Act.

25 "Financial exploitation." Any of the following:

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

29 (2) The act or omission taken by a person, including
30 through the use of power of attorney, guardianship or

1 conservatorship of an eligible adult to:

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

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

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

13 "Investment adviser representative." As defined in section
14 102 of the Pennsylvania Securities Act of 1972.

15 "Qualified individual." An agent, investment adviser
16 representative or person who serves in a supervisory, compliance
17 or legal capacity for a broker-dealer or investment adviser.
18 § 6403. Governmental disclosures.

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

25 § 6404. Immunity for governmental disclosures.

26 A qualified individual that, in good faith and exercising
27 reasonable care, makes a disclosure of information under section
28 6403 (relating to governmental disclosures) shall be immune from
29 administrative or civil liability that might otherwise arise
30 from the disclosure or for any failure to notify a customer of

1 the qualified individual of the disclosure.

2 § 6405. Third-party disclosures.

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

10 § 6406. Immunity for third-party disclosures.

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

15 § 6407. Delaying disbursements.

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

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

24 (2) the broker-dealer or investment adviser:

25 (i) immediately, but in no event more than two
26 business days after the requested disbursement of funds,
27 provides written notice of the delay and the reason for
28 the delay to all parties authorized to transact business
29 on the account, unless any such party is reasonably
30 believed to have engaged in suspected or attempted

1 financial exploitation of an eligible adult;

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

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

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

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

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

22 (c) Extensions.--The following apply:

23 (1) The Department of Human Services, the Department of
24 Aging or the commission may extend the delay of the
25 disbursement of funds under subsection (b) (2). An extension
26 under this paragraph shall expire no later 25 business days
27 after the date of the delay under subsection (a), unless
28 terminated earlier by the Department of Human Services, the
29 Department of Aging, the commission or an order of a court of
30 competent jurisdiction.

1 (2) A court of competent jurisdiction may enter an order
2 extending the delay of the disbursement of funds under
3 subsection (b) (2) or may order other relief based on the
4 petition of the Department of Human Services, the Department
5 of Aging, the commission or the broker-dealer or the
6 investment adviser that initiated the delay or other
7 interested party.

8 § 6408. Immunity for delaying disbursements.

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

14 § 6409. Access to records.

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

24 (b) Records.--A record made available under subsection (a)
25 shall not be considered a public record as defined in section
26 102 of the act of February 14, 2008 (P.L.6, No.3), known as the
27 Right-to-Know Law.

28 (c) Construction.--Nothing in this section shall be
29 construed to limit or otherwise impede the authority of the
30 commission to access or examine the books and records of broker-

1 dealers and investment advisers as otherwise provided by the
2 laws of this Commonwealth.

3 § 6410. Administration.

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

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