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LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

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REPORTS: No

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P.L. 2019, CHAPTER 340, *approved January 13, 2020*
Assembly, No. 5091 (*Second Reprint*)

1 AN ACT concerning financial exploitation of vulnerable adults and
2 supplementing P.L.1967, c.93 (C.49:3-47 et seq.).
3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:
6

7 1. This act shall be known and may be cited as the
8 “Safeguarding Against Financial Exploitation Act.”
9

10 2. As used in this act:

11 “Applicable county adult services provider” means the county
12 adult services provider that services the county of residence of the
13 eligible adult.

14 “County adult protective services provider” has the meaning in
15 section 2 of P.L.1993, c.249 (C.52:27D-407).

16 “Eligible adult” means:

17 (1) a person 65 years of age or older; or

18 (2) a person subject to the “Adult Protective Services Act,”
19 P.L.1993, c.249 (C.52:27D-406 et seq.).

20 “Financial exploitation” means:

21 (1) the wrongful or unauthorized taking, withholding,
22 appropriation, or use of money, assets or property of an eligible
23 adult; or

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

27 (a) obtain control, through deception, intimidation or undue
28 influence, over the eligible adult’s money, assets or property to
29 deprive the eligible adult of the ownership, use, benefit or
30 possession of his or her money, assets or property; or

31 (b) convert money, assets or property of the eligible adult to
32 deprive such eligible adult of the ownership, use, benefit or
33 possession of his or her money, assets or property.

34 “Qualified individual” means ¹**[any agent]** ²**[a]** any² broker-
35 dealer¹, ²agent, investment adviser,² investment adviser
36 ¹**[representative]**¹ ²representative² or other person who serves in a

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly floor amendments adopted March 25, 2019.

²Assembly floor amendments adopted November 25, 2019.

1 supervisory, compliance, ¹~~or~~¹ legal ¹, or senior investor
2 protection¹ capacity for a broker-dealer or investment adviser.

3
4 3. a. If a qualified individual reasonably believes that financial
5 exploitation of an eligible adult may have occurred, may have been
6 attempted, or is being attempted, the ²~~qualified individual~~ broker-
7 dealer or investment adviser² shall promptly notify the bureau and
8 the applicable county adult protective services provider.

9 b. A qualified individual who, in good faith and exercising
10 reasonable care, makes a disclosure in compliance with this section
11 shall be immune from administrative ²~~,~~² or² civil ²~~or criminal~~²
12 liability that might otherwise arise from such disclosure or for any
13 failure to notify the ¹~~customer~~ eligible adult¹ of the disclosure.

14 ²~~c.~~ Following a notification to the bureau from a qualified
15 individual pursuant to this section, the bureau shall respond to
16 reasonable inquiries from the qualified individual as to the status of
17 any investigation by the bureau, and upon conclusion of any
18 investigation, the bureau shall issue a statement of findings to the
19 qualified individual.¹²

20
21 4. a. If a qualified individual reasonably believes that financial
22 exploitation of an eligible adult may have occurred, may have been
23 attempted, or is being attempted, a qualified individual ¹~~shall~~
24 ²~~may~~¹ shall² notify any third party previously designated by ¹,
25 ²~~or~~ and may notify any third party² reasonably associated with,¹
26 the eligible adult, provided that disclosure may not be made to any
27 ²~~designated~~² third party that is suspected of financial exploitation
28 or other abuse of the eligible adult.

29 b. A qualified individual who, in good faith and exercising
30 reasonable care, makes a disclosure in compliance with this section
31 shall be immune from any administrative ²~~,~~² or² civil ²~~or~~
32 ~~criminal~~² liability that might otherwise arise from such disclosure.

33
34 5. a. A broker-dealer or investment adviser may delay a
35 transaction in connection with, or a¹ disbursement from ¹,¹ an
36 account of an eligible adult or an account on which an eligible adult
37 is a beneficiary if:

38 (1) the ²~~broker-dealer, investment adviser, or~~² qualified
39 individual reasonably believes, after initiating an internal review of
40 the requested transaction or¹ disbursement and the suspected
41 financial exploitation, that the requested transaction or¹
42 disbursement may result in financial exploitation of an eligible
43 adult; and

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

45 (a) immediately, but in no event more than two business days
46 after the ²~~requested~~ date on which the² transaction or¹

1 disbursement ²was first delayed², provides written notification of
2 the delay and the reason for the delay to all parties authorized to
3 transact business on the account, unless any such party is
4 reasonably believed to have engaged in suspected or attempted
5 financial exploitation of the eligible adult;

6 (b) immediately, but in no event more than two business days
7 after the ²**[requested]** date on which the² ¹transaction or¹
8 disbursement ²was first delayed², notifies the bureau and the
9 applicable county adult protective services provider; and

10 (c) continues the internal review of the suspected or attempted
11 financial exploitation of the eligible adult, as necessary, and
12 ²**[reports the investigation's results]** provides updates² to the
13 bureau ²**[and]** or² the applicable county adult protective services
14 provider ¹**[within seven business days after the requested**
15 **disbursement]** upon request¹ ², but no later than seven business
16 days after the completion of the review².

17 b. Any delay of a ¹transaction or¹ disbursement as authorized
18 by this section shall expire upon the sooner of:

19 (1) a determination by the broker-dealer or investment adviser
20 that the ¹transaction or¹ disbursement will not result in financial
21 exploitation of the eligible adult; or

22 (2) 15 business days after the date on which the broker-dealer or
23 investment adviser first delayed ¹the transaction or¹ disbursement
24 of the funds, unless either the bureau or the applicable county adult
25 protective services provider requests that the broker-dealer or
26 investment adviser extend the delay, in which case the delay shall
27 expire no more than 25 business days after the date on which the
28 broker-dealer or investment adviser first delayed ¹the transaction
29 or¹ disbursement of the funds, unless ¹**[sooner]** otherwise¹
30 terminated ¹or further extended¹ by either of the agencies or an
31 order of a court of competent jurisdiction.

32 c. A court of competent jurisdiction may enter an order
33 extending the delay of the ¹transaction or¹ disbursement of funds or
34 may order other protective relief based on the petition of the bureau,
35 the applicable county adult protective services provider, the broker-
36 dealer or investment adviser that initiated the delay under this
37 section, or other interested party.

38 d. A broker-dealer or investment adviser who, in good faith and
39 exercising reasonable care, acts in compliance with this section
40 shall be immune from any administrative ²**[,]** or² civil ²**[or**
41 **criminal]**² liability that might otherwise arise from such delay in a
42 ¹transaction or¹ disbursement in accordance with this section.

43 ²e. Notwithstanding any provision of law to the contrary, the
44 bureau or the applicable county adult services provider may
45 disclose to any notifying broker-dealer or investment adviser
46 reasonable information regarding the general status or final

1 disposition of any investigation that arose from a report made by
2 the qualified person in connection with an extension under this
3 section or reasonable efforts to protect an eligible adult from
4 financial exploitation or other abuse.²
5

6 6. ¹a.¹ A broker-dealer or investment adviser shall provide
7 access to, or copies of records that are relevant to the suspected or
8 attempted financial exploitation of an eligible adult to agencies
9 charged with administering State adult protective services laws and
10 to law enforcement, either as part of a referral to the agency or to
11 law enforcement, or upon request of the agency or law enforcement
12 pursuant to an investigation. The records may include historical
13 records as well as records relating to the most recent transaction or
14 transactions that may comprise financial exploitation of an eligible
15 adult. All records made available to agencies under this section
16 shall not be deemed to be a public record pursuant to P.L.1963, c.73
17 (C.47:1A-1 et seq.) or P.L.2001, c.404 (C.47:1A-5 et seq.). Nothing
18 in this section shall limit or otherwise impede the authority of the
19 bureau to access or examine the books and records of broker-dealers
20 and investment advisers as otherwise provided by law.

21 ¹b. A broker-dealer or investment ²[advisor] adviser² who, in
22 good faith and exercising reasonable care, acts in compliance with
23 this section shall be immune from any administrative ²[.] or² civil
24 ²[or criminal]² liability that might otherwise arise from providing
25 access in accordance with this section.¹
26

27 7. This act shall take effect on the 90th day next following the
28 date of enactment.
29
30

31 _____
32
33 Establishes "Safeguarding Against Financial Exploitation Act."

ASSEMBLY, No. 5091

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED FEBRUARY 25, 2019

Sponsored by:

Assemblyman JOHN F. MCKEON

District 27 (Essex and Morris)

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

SYNOPSIS

“Safeguarding Against Financial Exploitation Act.”

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 2/26/2019)

1 AN ACT concerning financial exploitation of vulnerable adults and
2 supplementing P.L.1967, c.93 (C.49:3-47 et seq.).

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. This act shall be known and may be cited as the
8 “Safeguarding Against Financial Exploitation Act.”

9

10 2. As used in this act:

11 “Applicable county adult services provider” means the county
12 adult services provider that services the county of residence of the
13 eligible adult.

14 “County adult protective services provider” has the meaning in
15 section 2 of P.L.1993, c.249 (C.52:27D-407).

16 “Eligible adult” means:

17 (1) a person 65 years of age or older; or

18 (2) a person subject to the “Adult Protective Services Act,”
19 P.L.1993, c.249 (C.52:27D-406 et seq.).

20 “Financial exploitation” means:

21 (1) the wrongful or unauthorized taking, withholding,
22 appropriation, or use of money, assets or property of an eligible
23 adult; or

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

27 (a) obtain control, through deception, intimidation or undue
28 influence, over the eligible adult’s money, assets or property to
29 deprive the eligible adult of the ownership, use, benefit or
30 possession of his or her money, assets or property; or

31 (b) convert money, assets or property of the eligible adult to
32 deprive such eligible adult of the ownership, use, benefit or
33 possession of his or her money, assets or property.

34 “Qualified individual” means any agent, investment adviser
35 representative or other person who serves in a supervisory,
36 compliance, or legal capacity for a broker-dealer or investment
37 adviser.

38

39 3. a. If a qualified individual reasonably believes that financial
40 exploitation of an eligible adult may have occurred, may have been
41 attempted, or is being attempted, the qualified individual shall
42 promptly notify the bureau and the applicable county adult
43 protective services provider.

44 b. A qualified individual who, in good faith and exercising
45 reasonable care, makes a disclosure in compliance with this section
46 shall be immune from administrative, civil or criminal liability that
47 might otherwise arise from such disclosure or for any failure to
48 notify the customer of the disclosure.

1 4. a. If a qualified individual reasonably believes that financial
2 exploitation of an eligible adult may have occurred, may have been
3 attempted, or is being attempted, a qualified individual shall notify
4 any third party previously designated by the eligible adult, provided
5 that disclosure may not be made to any designated third party that is
6 suspected of financial exploitation or other abuse of the eligible
7 adult.

8 b. A qualified individual who, in good faith and exercising
9 reasonable care, makes a disclosure in compliance with this section
10 shall be immune from any administrative, civil or criminal liability
11 that might otherwise arise from such disclosure.

12

13 5. a. A broker-dealer or investment adviser may delay a
14 disbursement from an account of an eligible adult or an account on
15 which an eligible adult is a beneficiary if:

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

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

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

28 (b) immediately, but in no event more than two business days
29 after the requested disbursement, notifies the bureau and the
30 applicable county adult protective services provider; and

31 (c) continues the internal review of the suspected or attempted
32 financial exploitation of the eligible adult, as necessary, and reports
33 the investigation's results to the bureau and the applicable county
34 adult protective services provider within seven business days after
35 the requested disbursement.

36 b. Any delay of a disbursement as authorized by this section
37 shall expire upon the sooner of:

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

41 (2) 15 business days after the date on which the broker-dealer or
42 investment adviser first delayed disbursement of the funds, unless
43 either the bureau or the applicable county adult protective services
44 provider requests that the broker-dealer or investment adviser
45 extend the delay, in which case the delay shall expire no more than
46 25 business days after the date on which the broker-dealer or
47 investment adviser first delayed disbursement of the funds, unless

1 sooner terminated by either of the agencies or an order of a court of
2 competent jurisdiction.

3 c. A court of competent jurisdiction may enter an order
4 extending the delay of the disbursement of funds or may order other
5 protective relief based on the petition of the bureau, the applicable
6 county adult protective services provider, the broker-dealer or
7 investment adviser that initiated the delay under this section, or
8 other interested party.

9 d. A broker-dealer or investment adviser who, in good faith and
10 exercising reasonable care, acts in compliance with this section
11 shall be immune from any administrative, civil or criminal liability
12 that might otherwise arise from such delay in a disbursement in
13 accordance with this section.

14

15 6. A broker-dealer or investment adviser shall provide access
16 to, or copies of records that are relevant to the suspected or
17 attempted financial exploitation of an eligible adult to agencies
18 charged with administering State adult protective services laws and
19 to law enforcement, either as part of a referral to the agency or to
20 law enforcement, or upon request of the agency or law enforcement
21 pursuant to an investigation. The records may include historical
22 records as well as records relating to the most recent transaction or
23 transactions that may comprise financial exploitation of an eligible
24 adult. All records made available to agencies under this section
25 shall not be deemed to be a public record pursuant to P.L.1963, c.73
26 (C.47:1A-1 et seq.) or P.L.2001, c.404 (C.47:1A-5 et seq.). Nothing
27 in this section shall limit or otherwise impede the authority of the
28 bureau to access or examine the books and records of broker-dealers
29 and investment advisers as otherwise provided by law.

30

31 7. This act shall take effect on the 90th day next following the
32 date of enactment.

33

34

STATEMENT

35

36 This bill, the "Safeguarding Against Financial Exploitation Act,"
37 establishes protections from financial exploitation for vulnerable
38 adults.

39 The bill supplements the "Uniform Securities Law (1967)" and
40 thus adopts the definitions and regulatory framework of that law.
41 The bill defines an eligible adult as a person 65 years of age or
42 older or a person subject to the "Adult Protective Services Act,"
43 P.L.1993, c.249 (C.52:27D-406 et seq.).

44 The bill provides that when a qualified individual, defined as any
45 agent, investment adviser representative or other person who serves
46 in a supervisory, compliance, or legal capacity for a broker-dealer
47 or investment adviser, believes that financial exploitation of an
48 eligible adult has occurred or is being attempted, the qualified

1 individual shall notify the Bureau of Securities in the Division of
2 Consumer Affairs in the Department of Law and Public Safety and
3 the applicable county adult protective services provider. In addition,
4 the qualified individual shall notify any third party previously
5 designated by the eligible adult, unless the third party is the party
6 suspected of the financial exploitation. The bill provides that a
7 qualified individual who makes disclosure in good faith shall be
8 immune from administrative, civil or criminal liability.

9 The bill also provides that a broker-dealer or investment adviser
10 may delay a disbursement from an account of an eligible adult or an
11 account on which an eligible adult is a beneficiary when the
12 disbursement may result in financial exploitation. A broker-dealer
13 or investment adviser who complies with these delays shall be
14 immune from any administrative or civil liability that might
15 otherwise arise from the delay in a disbursement in accordance with
16 this bill.

17 The bill requires the broker-dealer or investment adviser to
18 provide access to or copies of records that are relevant to the
19 suspected or attempted financial exploitation of an eligible adult to
20 agencies charged with administering state adult protective services
21 laws and to law enforcement. The bill also provides that those
22 records made available to agencies shall not be deemed to be public
23 records.

ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5091

STATE OF NEW JERSEY

DATED: MARCH 18, 2019

The Assembly Financial Institutions and Insurance Committee reports favorably Assembly Bill No. 5091.

This bill, the “Safeguarding Against Financial Exploitation Act,” establishes protections from financial exploitation for vulnerable adults.

The bill supplements the “Uniform Securities Law (1967)” and thus adopts the definitions and regulatory framework of that law. The bill defines an eligible adult as a person 65 years of age or older or a person subject to the “Adult Protective Services Act,” P.L.1993, c.249 (C.52:27D-406 et seq.).

The bill provides that when a qualified individual, defined as any agent, investment adviser representative or other person who serves in a supervisory, compliance, or legal capacity for a broker-dealer or investment adviser, believes that financial exploitation of an eligible adult has occurred or is being attempted, the qualified individual shall notify the Bureau of Securities in the Division of Consumer Affairs in the Department of Law and Public Safety and the applicable county adult protective services provider. In addition, the qualified individual shall notify any third party previously designated by the eligible adult, unless the third party is the party suspected of the financial exploitation. The bill provides that a qualified individual who makes disclosure in good faith shall be immune from administrative, civil or criminal liability.

The bill also provides that a broker-dealer or investment adviser may delay a disbursement from an account of an eligible adult or an account on which an eligible adult is a beneficiary when the disbursement may result in financial exploitation. A broker-dealer or investment adviser who complies with these delays shall be immune from any administrative or civil liability that might otherwise arise from the delay in a disbursement in accordance with this bill.

The bill requires the broker-dealer or investment adviser to provide access to or copies of records that are relevant to the suspected or attempted financial exploitation of an eligible adult to agencies charged with administering state adult protective services laws and to law enforcement. The bill also provides that those records made available to agencies shall not be deemed to be public records.

STATEMENT TO
ASSEMBLY, No. 5091

with Assembly Floor Amendments
(Proposed by Assemblyman MCKEON)

ADOPTED: MARCH 25, 2019

The amendments revise the definition of “qualified individual” to include broker-dealers and persons acting in a senior investor protection capacity for a broker-dealer or investment advisor.

The amendments provide that following a notification to the Bureau of Securities from a qualified individual who reasonably believes that financial exploitation of an eligible adult may have occurred, the bureau shall respond to reasonable inquiries from the qualified individual as to the status of any investigation by the bureau, and upon conclusion of any investigation, the bureau shall issue a statement of findings to the qualified individual.

The amendments also expand the protections offered in the bill to transactions in additions to disbursements, and expand the group of persons who are to be notified of financial exploitation to persons reasonably associated with the eligible adult, in addition to designated third parties. The amendments change the reporting period for internal reviews by broker-dealers and investment advisors from seven business days after the disbursement to “upon request.”

The amendments also provide immunity to broker-dealers and investment advisors from administrative and civil liability that might otherwise arise from providing access to records that are relevant to the suspected or attempted financial exploitation of an eligible adult to agencies charged with administering State adult protective service laws and to law enforcement.

STATEMENT TO
[First Reprint]
ASSEMBLY, No. 5091

with Assembly Floor Amendments
(Proposed by Assemblyman McKEON)

ADOPTED: NOVEMBER 25, 2019

This floor amendment clarifies the definition of qualified individual under the act to include any agent and investment adviser representative, in addition to any broker-dealer, investment adviser, or other person who serves in a supervisory, compliance, legal, or senior investor protection capacity for a broker-dealer or investment adviser. In addition, the amendment removes from the bill provisions making a qualified individual immune from criminal liability in certain circumstances. The amendment also clarifies the provision of the bill requiring the Bureau of Securities to respond to reasonable inquiries by a broker-dealer or investment adviser concerning the general status or final disposition of any investigation that arose from a report made by the qualified person in connection with an extension under the bill or reasonable efforts to protect an eligible adult from financial exploitation or other abuse.

Lastly, the amendment clarifies the circumstances under which a broker-dealer or investment adviser may delay a transaction to specify that the broker-dealer or investment adviser is required to provide written notification of the delay immediately, but in no event more than two business days after the date on which the transaction of disbursement was first delayed.

SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 4259

STATE OF NEW JERSEY

DATED: DECEMBER 12, 2019

The Senate Commerce Committee reports favorably Senate Bill No. 4259.

This bill, the “Safeguarding Against Financial Exploitation Act,” establishes protections from financial exploitation for vulnerable adults.

The bill supplements the “Uniform Securities Law (1967)” and thus adopts the definitions and regulatory framework of that law. The bill defines an eligible adult as a person 65 years of age or older or a person subject to the “Adult Protective Services Act,” P.L.1993, c.249 (C.52:27D-406 et seq.).

The bill provides that when a qualified individual, defined as any broker-dealer, agent, investment adviser, investment adviser representative, or other person who serves in a supervisory, compliance, legal, or senior_investor protection capacity for a broker-dealer or investment adviser, 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 Bureau of Securities and the applicable county adult protective services provider. The bill provides that a qualified individual who makes disclosure in good faith and exercising reasonable care shall be immune from administrative or civil liability.

SENATE, No. 4259

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED NOVEMBER 18, 2019

Sponsored by:

Senator NELLIE POU

District 35 (Bergen and Passaic)

Senator TROY SINGLETON

District 7 (Burlington)

Co-Sponsored by:

Senator Cardinale

SYNOPSIS

Establishes “Safeguarding Against Financial Exploitation Act.”

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/17/2019)

1 AN ACT concerning financial exploitation of vulnerable adults and
2 supplementing P.L.1967, c.93 (C.49:3-47 et seq.).

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. This act shall be known and may be cited as the
8 “Safeguarding Against Financial Exploitation Act.”

9

10 2. As used in this act:

11 “Applicable county adult services provider” means the county
12 adult services provider that services the county of residence of the
13 eligible adult.

14 “County adult protective services provider” has the meaning in
15 section 2 of P.L.1993, c.249 (C.52:27D-407).

16 “Eligible adult” means:

17 (1) a person 65 years of age or older; or

18 (2) a person subject to the “Adult Protective Services Act,”
19 P.L.1993, c.249 (C.52:27D-406 et seq.).

20 “Financial exploitation” means:

21 (1) the wrongful or unauthorized taking, withholding,
22 appropriation, or use of money, assets or property of an eligible
23 adult; or

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

27 (a) obtain control, through deception, intimidation or undue
28 influence, over the eligible adult’s money, assets or property to
29 deprive the eligible adult of the ownership, use, benefit or
30 possession of his or her money, assets or property; or

31 (b) convert money, assets or property of the eligible adult to
32 deprive such eligible adult of the ownership, use, benefit or
33 possession of his or her money, assets or property.

34 “Qualified individual” means any broker-dealer, agent,
35 investment adviser, investment adviser representative, or other
36 person who serves in a supervisory, compliance, legal, or senior
37 investor protection capacity for a broker-dealer or investment
38 adviser.

39

40 3. a. If a qualified individual reasonably believes that financial
41 exploitation of an eligible adult may have occurred, may have been
42 attempted, or is being attempted, the broker-dealer or investment
43 adviser shall promptly notify the bureau and the applicable county
44 adult protective services provider.

45 b. A qualified individual who, in good faith and exercising
46 reasonable care, makes a disclosure in compliance with this section
47 shall be immune from administrative or civil liability that might

1 otherwise arise from such disclosure or for any failure to notify the
2 eligible adult of the disclosure.

3

4 4. a. If a qualified individual reasonably believes that financial
5 exploitation of an eligible adult may have occurred, may have been
6 attempted, or is being attempted, a qualified individual shall notify
7 any third party previously designated by, and may notify any third
8 party reasonably associated with, the eligible adult, provided that
9 disclosure may not be made to any third party that is suspected of
10 financial exploitation or other abuse of the eligible adult.

11 b. A qualified individual who, in good faith and exercising
12 reasonable care, makes a disclosure in compliance with this section
13 shall be immune from any administrative or civil liability that might
14 otherwise arise from such disclosure.

15

16 5. a. A broker-dealer or investment adviser may delay a
17 transaction in connection with, or a disbursement from, an account
18 of an eligible adult or an account on which an eligible adult is a
19 beneficiary if:

20 (1) the qualified individual reasonably believes, after initiating
21 an internal review of the requested transaction or disbursement and
22 the suspected financial exploitation, that the requested transaction
23 or disbursement may result in financial exploitation of an eligible
24 adult; and

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

26 (a) immediately, but in no event more than two business days
27 after the date on which the transaction or disbursement was first
28 delayed, provides written notification of the delay and the reason
29 for the delay to all parties authorized to transact business on the
30 account, unless any such party is reasonably believed to have
31 engaged in suspected or attempted financial exploitation of the
32 eligible adult;

33 (b) immediately, but in no event more than two business days
34 after the date on which the transaction or disbursement was first
35 delayed, notifies the bureau and the applicable county adult
36 protective services provider; and

37 (c) continues the internal review of the suspected or attempted
38 financial exploitation of the eligible adult, as necessary, and
39 provides updates to the bureau or the applicable county adult
40 protective services provider upon request, but no later than seven
41 business days after the completion of the review.

42 b. Any delay of a transaction or disbursement as authorized by
43 this section shall expire upon the sooner of:

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

47 (2) 15 business days after the date on which the broker-dealer or
48 investment adviser first delayed the transaction or disbursement of

1 the funds, unless either the bureau or the applicable county adult
2 protective services provider requests that the broker-dealer or
3 investment adviser extend the delay, in which case the delay shall
4 expire no more than 25 business days after the date on which the
5 broker-dealer or investment adviser first delayed the transaction or
6 disbursement of the funds, unless otherwise terminated or further
7 extended by either of the agencies or an order of a court of
8 competent jurisdiction.

9 c. A court of competent jurisdiction may enter an order
10 extending the delay of the transaction or disbursement of funds or
11 may order other protective relief based on the petition of the bureau,
12 the applicable county adult protective services provider, the broker-
13 dealer or investment adviser that initiated the delay under this
14 section, or other interested party.

15 d. A broker-dealer or investment adviser who, in good faith and
16 exercising reasonable care, acts in compliance with this section
17 shall be immune from any administrative or civil liability that might
18 otherwise arise from such delay in a transaction or disbursement in
19 accordance with this section.

20 e. Notwithstanding any provision of law to the contrary, the
21 bureau or the applicable county adult services provider may
22 disclose to any notifying broker-dealer or investment adviser
23 reasonable information regarding the general status or final
24 disposition of any investigation that arose from a report made by
25 the qualified person in connection with an extension under this
26 section or reasonable efforts to protect an eligible adult from
27 financial exploitation or other abuse.

28
29 6. a. A broker-dealer or investment adviser shall provide
30 access to, or copies of records that are relevant to the suspected or
31 attempted financial exploitation of an eligible adult to agencies
32 charged with administering State adult protective services laws and
33 to law enforcement, either as part of a referral to the agency or to
34 law enforcement, or upon request of the agency or law enforcement
35 pursuant to an investigation. The records may include historical
36 records as well as records relating to the most recent transaction or
37 transactions that may comprise financial exploitation of an eligible
38 adult. All records made available to agencies under this section
39 shall not be deemed to be a public record pursuant to P.L.1963, c.73
40 (C.47:1A-1 et seq.) or P.L.2001, c.404 (C.47:1A-5 et seq.). Nothing
41 in this section shall limit or otherwise impede the authority of the
42 bureau to access or examine the books and records of broker-dealers
43 and investment advisers as otherwise provided by law.

44 b. A broker-dealer or investment adviser who, in good faith and
45 exercising reasonable care, acts in compliance with this section
46 shall be immune from any administrative or civil liability that might
47 otherwise arise from providing access in accordance with this
48 section.

1 7. This act shall take effect on the 90th day next following the
2 date of enactment.

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4

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STATEMENT

6

7 This bill, the “Safeguarding Against Financial Exploitation Act,”
8 establishes protections from financial exploitation for vulnerable
9 adults.

10 The bill supplements the “Uniform Securities Law (1967)” and
11 thus adopts the definitions and regulatory framework of that law.
12 The bill defines an eligible adult as a person 65 years of age or
13 older or a person subject to the “Adult Protective Services Act,”
14 P.L.1993, c.249 (C.52:27D-406 et seq.).

15 The bill provides that when a qualified individual, defined as any
16 broker-dealer, agent, investment adviser, investment adviser
17 representative, or other person who serves in a supervisory,
18 compliance, legal, or senior_investor protection capacity for a
19 broker-dealer or investment adviser, believes that financial
20 exploitation of an eligible adult may have occurred, may have been
21 attempted, or is being attempted, the qualified individual shall
22 promptly notify the Bureau of Securities and the applicable county
23 adult protective services provider. The bill provides that a
24 qualified individual who makes disclosure in good faith and
25 exercising reasonable care shall be immune from administrative or
26 civil liability.

Governor Murphy Takes Action on Legislation

01/13/2020

TRENTON – Today, Governor Phil Murphy signed the following bills into law:

A268 (Kean, Egan, Holley/Singer, Gopal) - "P.I.C.K. Awareness Act"; authorizes issuance of special support recovery license plates.

A790 (Andrzejczak, Land, Mosquera, Mukherji, Downey, Zwicker, Mazzeo/Connors, Singleton) - "Combat to College Act"; grants priority course registration to military service members and veterans attending public institutions of higher education.

A791 (Andrzejczak, Land, Mosquera, Danielsen, Mukherji, Downey, Zwicker/Van Drew, Brown) - Requires institution of higher education to award appropriate credit for student's military service.

A1212 (McKeon, Gusciora, Vainieri Huttie/Sweeney, Smith, Bateman, Greenstein) - Clarifies intent of P.L.2007, c.340 regarding NJ's required participation in Regional Greenhouse Gas Initiative.

A1305 (Greenwald/Rice) - Renames Mountainview Youth Correctional Facility as "William H. Fauver Youth Correctional Facility."

A1576 (Conaway, Giblin/Vitale) - Requires certain health care facilities to provide, and employees to receive, annual influenza vaccination.

A1582 (Conaway, Moriarty, Mosquera, Benson, Pinkin, Giblin, Quijano/Weinberg, Ruiz) - Establishes "Dietetics and Nutrition Licensing Act".

A1991 (Sumter, Munoz, Mukherji/Singer, Gordon) - Requires students at institutions of higher education to receive immunization for meningitis in accordance with recommendations of Advisory Committee on Immunization Practices.

A3101 (Egan Jones, Benson, Land/Singleton) - Increases minimum annual amounts for appropriation for certain arts, historical heritage, and tourism purposes from hotel and motel occupancy fee revenues.

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A3160 (Lampitt, Giblin, Murphy/Beach) - Permits cosmetology and hairstyling school clinics to charge certain fees for services rendered to general public.

A3832 (Mukherji, McKnight, Chiaravalloti/Cryan, Stack) - Authorizes municipal tax levy through public question for certain purposes; clarifies ability of local government entities to issue non-recourse bonds; appropriates \$100,000.

A4493 (Pinkin, Conaway, Vainieri Huttie/Vitale) - Authorizes expedited partner therapy, under which sexual partners or patients diagnosed with sexually transmitted disease are treated without prior clinical examination.

A4608 (Zwicker, Downey/Weinberg, Kean) - " Applied Behavior Analyst Licensing Act."

A4710 (Lampitt, Zwicker, Vainieri Huttie/Beach,Turner) - "Strengthening Gifted and Talented Education Act"; establishes school district responsibilities in educating gifted and talented students.

A5037 (Pintor Marin, Speight, Vainieri Huttie/Andrzejczak, Greenstein) - Enhances penalties related to counterfeit drugs.

A5091 (McKeon, Vainieri Huttie, Pinkin/Pou, Singleton) - Establishes "Safeguarding Against Financial Exploitation Act."

A5263 (Tully, Armato/Corrado) - Requires four-year public institution of higher education to award college credits to firefighters for certain courses completed at county fire academies.

A5277 (DeAngelo, Houghtaling/Greenstein) - Eliminates term limits for members of State Board of Examiners of Master Plumbers and State Board of Examiners of Heating, Ventilating, Air Conditioning and Refrigeration Contractors.

A5624 (Pintor Marin, Munoz, Lampitt/Weinberg, Corrado) - Requires that State employee serve as Equal Employment Opportunity and Affirmative Action officer for gubernatorial transitions.

A5625 (Pintor Marin, Munoz, Lampitt/Weinberg, Corrado) - Requires payment of expenses related to background investigations for certain gubernatorial transition positions.

A5628 (Pintor Marin, Munoz, McKnight/Weinberg, Corrado) - Requires Civil Service Commission establish standardize recordkeeping and retention requirements with regard to unclassified State employees.

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A5631 (Pintor Marin, Munoz, Pinkin/Weinberg, Corrado) - Specifies certain requirements for State agency review of complaint of workplace discrimination.

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A5632 (Pintor Marin, Munoz, Reynolds-Jackson/Weinberg) - Requires certain public employees receive additional training to manage harassment or discrimination complaints.

A5917 (Chiaravalloti, McKnight/Cunningham, Weinberg) - Expands DOH oversight of hospital finances.

A6007 (McKeon/Pou) - Requires insurers and insurance groups to submit corporate governance annual disclosure to DOBI Commissioner.

S463 (Singer, Greenstein/Dancer, Calabrese, DeAngelo) - Provides for voluntary contributions by taxpayers on gross income tax returns for Meals on Wheels.

S538 (Oroho, Stack/Wirths, Vaineri Huttie, Bucco) - Allows long term tax exemption extension for certain low-income housing.

S775 (Cunningham, Sacco/Sumter, Caride, Vainieri Huttie) - Establishes Tuition Aid Grant Study Commission to examine New Jersey's Tuition Aid Grant Program and make recommendations regarding improvements to program.

S778 (Cunningham, Kean/Quijano, Jasey, Pintor Marin) - Establishes Campus Sexual Assault Commission.

S1493 (Stack, Singleton/Quijano, Chaparro, Timberlake) - Prohibits landlords from requiring residential tenants to pay rent and other related charges through electronic funds transfer; requires landlords to provide receipts for cash payments.

S1508 (Turner, Singleton/Reynolds-Jackson, Sumter, Wimberly) - Eliminates motor vehicle surcharges following retirement of bonds and debts tied to surcharges.

S1834 (Ruiz, Cunningham/Quijano, Murphy) - Requires each public institution of higher education to post its budget on the institution's website.

S1953 (Oroho, Cruz-Perez/Space, Andrzejcack, Wirths) - Directs Dept. of Agriculture to authorize and advise food hubs.

S1966 (Sweeney, Singleton/Taliaferro) - Increases death benefit of active member of PFRS and SPRS to 50 percent of final compensation for surviving child or children.

S2527 (Ruiz, Turner/Lampitt, Quijano, Timberlake) - Requires Department of Agriculture to promote school meal programs.

S2533 (Greenstein, Cruz-Perez/Vainieri Huttie, Lopez, Timberlake) - Requires Office of Victim-Witness Advocacy to provide services to certain inmates.

S2898 (Madden, Sarlo/Murphy, Mosquera, Vainieri Huttie) - Establishes "New Jersey Fire and EMS Crisis Intervention Services" telephone hotline; provides funding for hotline through fire inspection fees and penalties.

S2980 (Ruiz/Lampitt, McKnight) - Provides that school district may not condition student enrollment in district on fact that MVC does not have name or address of parent or guardian on file.

S2982 (Ruiz/Lampitt, Mukherji, Lopez) - Clarifies that child may not be excluded from public school based on membership in protected category under "Law Against Discrimination" or immigration status.

S2998 (Ruiz/Freiman, Downey) - Requires creditors to make certain disclosures regarding collateral protection insurance to consumer debtors.

S3064 (Ruiz, Singleton/Armato, Conaway, Swain) - Establishes task force to develop State-wide plan to diversify apprenticeships.

S3066 (Ruiz, Singleton/Lampitt, Mukherji, Benson) - Creates five year High-Growth Industry Regional Apprenticeship Development Grant Pilot Program.

S3118 (Ruiz/Speight, Munoz, Tucker) - Establishes public awareness campaign to promote early conversations about advance care planning and end-of-life care.

S3124 (Stack/Mukherji) - Requires landlords to allow tenants to pay rent up to three business days after eviction order or lockout is executed and accept rent payments by any means.

S3206 (Pou, Cruz-Perez/Lopez, McKeon, Murphy) - Establishes "Unbanked and Underbanked Consumers Study Commission."

S3215 (Greenstein, Singleton/Zwicker, Mukherji, Swain) - Requires State to use 20-year time horizon and most recent Intergovernmental Panel on Climate Change Assessment Report when calculating global warming potential to measure global warming impact of greenhouse gases.

S3246 (Sarlo, Singleton, Oroho, Bucco/Benson, Bucco, Freiman) - Establishes elective pass-through entity business alternative income tax and allows corresponding refundable gross income tax and corporation business tax credit.

S3327 (Ruiz, Cruz-Perez/Lopez, Timberlake) - Establishes Commission on Latino and Hispanic Heritage in DOE.

S3348 (Weinberg/Vainieri Huttle, McKnight) - Requires home health agencies and specialty pharmacies providing services related to bleeding episodes associated with hemophilia to comply with certain minimum practice standards.

S3528 (Scutari, Codey/Vainieri Huttle, Quijano, Kennedy) - Establishes process to obtain judgement of adoption for civil union partner or spouse of natural or legal parent of child when that person is named as parent on child's birth certificate.

S3574 (Scutari, Kean, Cryan/Carter, Kennedy, Freiman) - Requires NJT to conduct feasibility study on restoring one-seat ride to Manhattan on Raritan Valley Line.

Governor Murphy conditionally vetoed the following bills:

A2431 (Benson, Jimenez, DeCroce, Eustace/Weinberg, Kean) – Requires health insurers to provide plans that limit patient cost-sharing concerning certain prescription drug coverage.

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A4978 (Timberlake, Zwicker, Vainieri Huttle/Greenstein, Cryan) – Prohibits online education services from using and disclosing certain information, engaging in targeted advertising, and requires deletion of certain information in certain circumstances.

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S3920 (Pou/Wimberly, Sumter) – Concerns provision of energy to certain manufacturing facilities by providing exemptions to certain energy related taxes.

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Governor Murphy absolute vetoed the following bill:

S4139 (Greenstein/Benson) - Makes Fiscal Year 2020 supplemental appropriation of \$250,000 to Rutgers University - New Brunswick for School of Dental Medicine - Special Care Treatment Center.

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