

## ALABAMA SECURITIES COMMISSION

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### **Alabama Legislature Passes Bill To Help Protect Vulnerable Adults From Financial Exploitation-Governor Bentley Signs Into Law**

MONTGOMERY, ALABAMA (April 18, 2016) The Alabama Legislature passed SB 220 and Governor Robert Bentley signed the bill into law.

State Senator Arthur Orr (R), 3<sup>rd</sup> District and State Senator Tim Melson (R), 1<sup>st</sup> District co-sponsored the bill, which passed the Alabama Senate on April 12, 2016 and was then forwarded to the Alabama House. The bill was drafted by the Alabama Securities Commission (ASC).

Senator Orr stated, "We should do everything we can to thwart any efforts of those who would seek to prey upon the elderly and steal their hard earned savings. I thank the Alabama Securities Commission for its vigilance to protect all Alabamians from theft and squander from nefarious actors."

Companion bill HB 211 also passed the Alabama House and upon presentation on the floor of the House by State Representative Paul Beckman (R), 88th District (sponsor), SB 220 was substituted and forwarded to the Governor for signature.



Sen. Orr



Sen. Melson



Rep. Beckman

Representative Beckman said, "This is a very important tool to protect the life savings and assets of our senior Alabamians; especially those seniors who may eventually suffer from a diminished capacity to make wise and informed financial decisions. A special thanks to the Alabama Securities Commission for its continued and successful efforts to protect our valued senior citizens."

Senate Bill 220, entitled Protection of Vulnerable Adults from Financial Exploitation Act, will provide an important added layer of legal protection for Alabama adults who may be susceptible to financial abuse and exploitation. Under the new legislation, both the Alabama Securities Commission and the Alabama Department of Human Resources would be promptly notified by broker-dealers, investment advisers, agents and other qualified individuals who service the financial needs of adults when those financial professionals have a reasonable belief that financial exploitation of a vulnerable adult may have occurred, has been attempted or is being attempted.

Under the proposed legislation, financial professionals and other qualified individuals who report suspected financial abuse, in good faith and when exercising reasonable care, would be granted immunity from administrative and civil actions in delaying disbursing funds from a vulnerable adult's account to prevent loss or theft when certain qualifying factors are noted or suspected. The legislation targets the wrongful or unauthorized taking, withholding, use, conversion or control of money, assets or property of a vulnerable adult. Additionally, the legislation will assist in uncovering the misuse of powers of attorney, guardianships or conservatorships of a vulnerable adult through deception, intimidation or undue influence. Should circumstances warrant, further referral can be made to appropriate adult protective service personnel and legal authorities for possible further action.

ASC Director, Joseph Borg said, "This significant legislation will be a powerful mechanism to help ensure that the investment community of stockbrokers, investment advisors and financial professionals will report suspicious financial activity involving any vulnerable Alabama adult who is exposed to dishonest or illegal actions that could jeopardize their long-term financial well-being."

The Alabama Securities Commission thanks Senator Arthur Orr, Senator Tim Melson and Representative Paul Beckman for their sponsorship of the bill, and for their dedication and advocacy on behalf of all Alabama citizens, especially our senior citizens. The bill passed with broad support from Senators and Representatives in the Alabama Legislature.

For further information contact Dan Lord, Education and Public Affairs Manager, 334-353-4858.

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