ASSEMBLY, No. 5468

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED MARCH 15, 2021

Sponsored by:
Assemblyman HERB CONAWAY, JR.
District 7 (Burlington)
Assemblywoman VALERIE VAINIERI HUTTLE
District 37 (Bergen)
Assemblyman DANIEL R. BENSON
District 14 (Mercer and Middlesex)

Co-Sponsored by:
Assemblywoman McKnight, Assemblyman Armato and Assemblywoman Dunn

SYNOPSIS

Requires financial institutions to release records to adult protective services when suspecting fraud of vulnerable adult or senior customer; Allows adult protective service to release same records to law enforcement agency if necessary.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 5/5/2021)

AN ACT concerning the release of certain account information by a financial institution under certain circumstances and amending P.L.1998, c.121.

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

1. Section 3 of P.L.1998, c.121 (C.17:16T-3) is amended to read as follows:

3. a. Notwithstanding any other law, regulation or common law to the contrary, a financial institution **[**may**]**shall release the financial records regarding a customer's account to **[**a law enforcement agency,**]** a county adult protective services provider**[**, or both**]** if:

[a.**]** (1) A vulnerable customer or a senior customer has a beneficial interest in the account either wholly or in part; and

[b**]**(2). The financial institution suspects that illegal activity is, or will be, taking place which involves the account including, but not limited to, defrauding any vulnerable or senior customer who has a beneficial interest in the account.

b. A county adult protective services provider receiving financial records from a financial institution pursuant to subsection a. of this section may release the records to a law enforcement agency, if deemed necessary.

2. This act shall take effect immediately.

STATEMENT

This bill amends section 3 of P.L.1998, c.121 to require financial institutions to release financial records regarding a customer’s account to a county adult protective services provider when suspecting fraud of a vulnerable adult or senior customer. Under the bill, the adult protective services provider is then authorized to release the same records to a law enforcement agency, if deemed necessary.

Under the existing law, a financial institution is authorized, but not required, to release financial records regarding a customer's account to a law enforcement agency, a county adult protective services provider, or both under the same circumstances. As such, this bill mandates financial institutions to release such records and provides that adult protective services is the first point of contact.

As defined under the existing law, a “senior customer” means a natural person, who, to the financial institution acting in good faith, appears to be at least 60 years of age, who utilized or is utilizing any

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.

service of a financial institution, or for whom a financial institution is acting or has acted as a fiduciary, in relation to an account maintained in the person's name. A “vulnerable customer” means a natural person, who is at least 18 years of age, resides in a community setting, and, to a financial institution acting in good faith, appears to have a physical or mental illness, disability or deficiency, or lacks a sufficient understanding of, and the capacity to make, communicate or carry out decisions concerning, the management of the customer's savings or resources, who utilized or is utilizing any service of a financial institution, or for whom a financial institution is acting or has acted as a fiduciary, in relation to an account maintained in the person's name.