

SENATE, No. 3344

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED JANUARY 12, 2021

Sponsored by:

Senator RONALD L. RICE

District 28 (Essex)

Senator FRED H. MADDEN, JR.

District 4 (Camden and Gloucester)

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: 5/6/2021)

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

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

7
8 1. Section 3 of P.L.1998, c.121 (C. 17:16T-3) is amended to
9 read as follows:

10 3. a. Notwithstanding any other law, regulation or common
11 law to the contrary, a financial institution ~~may~~shall release the
12 financial records regarding a customer's account to ~~a law~~
13 enforcement agency, a county adult protective services provider,
14 or both if:

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

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

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

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26 2. This act shall take effect immediately.

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29 STATEMENT

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

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

43 As defined under the existing law, a "senior customer" means a
44 natural person, who, to the financial institution acting in good faith,
45 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.

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