



Association on Aging in New York

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MEMORANDUM OF SUPPORT

S. 639 (Valesky) same as A. 5336 (Cymbrowitz)

Bill summary:

An act to amend the social services law and the banking law, in relation to authorizing banking organizations to refuse to disburse moneys in circumstances of the financial exploitation of a vulnerable adult.

Statement of support:

Financial abuse and exploitation of older Americans is growing at a rapid pace. In May of 2011, the New York Prevalence Study entitled "Under the Radar: The New York State Elder Abuse Prevalence Study" detailed the prevalence of mistreatment of older New Yorkers. Most victims of financial exploitation are between the ages of 70 and 89, live alone and experience cognitive deficits which affect their decision-making capacity, leaving them more susceptible to victimization.

To reduce the prevalence of financial exploitation, the Legislature must clarify the roles and responsibilities of banking institutions. Banks can help to detect and prevent financial exploitation in several ways. Bank personnel are often familiar with their customers' banking habits and can identify when a person is perpetuating an illicit activity against vulnerable customers. New York does not currently have a standard protocol for banking institutions to follow when reporting and disclosing financial exploitation incidents to APS and law enforcement.

Due to ambiguity and limitations of current law, this bill is needed. The bill formalizes the reporting and disclosing of elder abuse by banking institutions to APS and law enforcement. This bill provides banking institutions and their staff with liability protection for reports and disclosures made in good faith. Most importantly, if enacted, this bill will provide a seamless reporting and disclosure process between banks, APS and law enforcement, which will significantly help address the financial exploitation of older New Yorkers.

For the reasons stated above, the Association on Aging in New York supports S. 639/A. 5336.