

117TH CONGRESS
1ST SESSION

H. R. 1565

IN THE SENATE OF THE UNITED STATES

APRIL 22, 2021

Received; read twice and referred to the Committee on Banking, Housing, and
Urban Affairs

AN ACT

To create an interdivisional taskforce at the Securities and
Exchange Commission for senior investors.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “National Senior Inves-
3 tor Initiative Act of 2021” or the “Senior Security Act
4 of 2021”.

5 **SEC. 2. SENIOR INVESTOR TASKFORCE.**

6 Section 4 of the Securities Exchange Act of 1934 (15
7 U.S.C. 78d) is amended by adding at the end the fol-
8 lowing:

9 “(k) SENIOR INVESTOR TASKFORCE.—

10 “(1) ESTABLISHMENT.—There is established
11 within the Commission the Senior Investor
12 Taskforce (in this subsection referred to as the
13 ‘Taskforce’).

14 “(2) DIRECTOR OF THE TASKFORCE.—The
15 head of the Taskforce shall be the Director, who
16 shall—

17 “(A) report directly to the Chairman; and

18 “(B) be appointed by the Chairman, in
19 consultation with the Commission, from among
20 individuals—

21 “(i) currently employed by the Com-
22 mission or from outside of the Commis-
23 sion; and

24 “(ii) having experience in advocating
25 for the interests of senior investors.

1 “(3) STAFFING.—The Chairman shall ensure
2 that—

3 “(A) the Taskforce is staffed sufficiently to
4 carry out fully the requirements of this sub-
5 section; and

6 “(B) such staff shall include individuals
7 from the Division of Enforcement, Office of
8 Compliance Inspections and Examinations, and
9 Office of Investor Education and Advocacy.

10 “(4) NO COMPENSATION FOR MEMBERS OF
11 TASKFORCE.—All members of the Taskforce ap-
12 pointed under paragraph (2) or (3) shall serve with-
13 out compensation in addition to that received for
14 their services as officers or employees of the United
15 States.

16 “(5) MINIMIZING DUPLICATION OF EFFORTS.—
17 In organizing and staffing the Taskforce, the Chair-
18 man shall take such actions as may be necessary to
19 minimize the duplication of efforts within the divi-
20 sions and offices described under paragraph (3)(B)
21 and any other divisions, offices, or taskforces of the
22 Commission.

23 “(6) FUNCTIONS OF THE TASKFORCE.—The
24 Taskforce shall—

1 “(A) identify challenges that senior inves-
2 tors encounter, including problems associated
3 with financial exploitation and cognitive decline;

4 “(B) identify areas in which senior inves-
5 tors would benefit from changes in the regula-
6 tions of the Commission or the rules of self-reg-
7 ulatory organizations;

8 “(C) coordinate, as appropriate, with other
9 offices within the Commission, other taskforces
10 that may be established within the Commission,
11 self-regulatory organizations, and the Elder
12 Justice Coordinating Council; and

13 “(D) consult, as appropriate, with State
14 securities and law enforcement authorities,
15 State insurance regulators, and other Federal
16 agencies.

17 “(7) REPORT.—The Taskforce, in coordination,
18 as appropriate, with the Office of the Investor Advoca-
19 cate and self-regulatory organizations, and in con-
20 sultation, as appropriate, with State securities and
21 law enforcement authorities, State insurance regu-
22 lators, and Federal agencies, shall issue a report
23 every 2 years to the Committee on Banking, Hous-
24 ing, and Urban Affairs and the Special Committee
25 on Aging of the Senate and the Committee on Fi-

1 nancial Services of the House of Representatives, the
2 first of which shall not be issued until after the re-
3 port described in section 3 of the National Senior
4 Investor Initiative Act of 2021 has been issued and
5 considered by the Taskforce, containing—

6 “(A) appropriate statistical information
7 and full and substantive analysis;

8 “(B) a summary of recent trends and inno-
9 vations that have impacted the investment land-
10 scape for senior investors;

11 “(C) a summary of regulatory initiatives
12 that have concentrated on senior investors and
13 industry practices related to senior investors;

14 “(D) key observations, best practices, and
15 areas needing improvement, involving senior in-
16 vestors identified during examinations, enforce-
17 ment actions, and investor education outreach;

18 “(E) a summary of the most serious issues
19 encountered by senior investors, including
20 issues involving financial products and services;

21 “(F) an analysis with regard to existing
22 policies and procedures of brokers, dealers, in-
23 vestment advisers, and other market partici-
24 pants related to senior investors and senior in-
25 vestor-related topics and whether these policies

1 and procedures need to be further developed or
2 refined;

3 “(G) recommendations for such changes to
4 the regulations, guidance, and orders of the
5 Commission and self-regulatory organizations
6 and such legislative actions as may be appro-
7 priate to resolve problems encountered by senior
8 investors; and

9 “(H) any other information, as determined
10 appropriate by the Director of the Taskforce.

11 “(8) REQUEST FOR REPORTS.—The Taskforce
12 shall make any report issued under paragraph (7)
13 available to a Member of Congress who requests
14 such a report.

15 “(9) SUNSET.—The Taskforce shall terminate
16 after the end of the 10-year period beginning on the
17 date of the enactment of this subsection.

18 “(10) SENIOR INVESTOR DEFINED.—For pur-
19 poses of this subsection, the term ‘senior investor’
20 means an investor over the age of 65.

21 “(11) USE OF EXISTING FUNDS.—The Commis-
22 sion shall use existing funds to carry out this sub-
23 section.”.

1 **SEC. 3. GAO STUDY.**

2 (a) IN GENERAL.—Not later than 2 years after the
3 date of enactment of this Act, the Comptroller General
4 of the United States shall submit to Congress and the
5 Senior Investor Taskforce the results of a study of finan-
6 cial exploitation of senior citizens.

7 (b) CONTENTS.—The study required under sub-
8 section (a) shall include information with respect to—

9 (1) economic costs of the financial exploitation
10 of senior citizens—

11 (A) associated with losses by victims that
12 were incurred as a result of the financial exploi-
13 tation of senior citizens;

14 (B) incurred by State and Federal agen-
15 cies, law enforcement and investigatory agen-
16 cies, public benefit programs, public health pro-
17 grams, and other public programs as a result of
18 the financial exploitation of senior citizens;

19 (C) incurred by the private sector as a re-
20 sult of the financial exploitation of senior citi-
21 zens; and

22 (D) any other relevant costs that—

23 (i) result from the financial exploi-
24 tation of senior citizens; and

25 (ii) the Comptroller General deter-
26 mines are necessary and appropriate to in-

1 clude in order to provide Congress and the
2 public with a full and accurate under-
3 standing of the economic costs resulting
4 from the financial exploitation of senior
5 citizens in the United States;

6 (2) frequency of senior financial exploitation
7 and correlated or contributing factors—

8 (A) information about percentage of senior
9 citizens financially exploited each year; and

10 (B) information about factors contributing
11 to increased risk of exploitation, including such
12 factors as race, social isolation, income, net
13 worth, religion, region, occupation, education,
14 home-ownership, illness, and loss of spouse; and

15 (3) policy responses and reporting of senior fi-
16 nancial exploitation—

17 (A) the degree to which financial exploi-
18 tation of senior citizens unreported to authori-
19 ties;

20 (B) the reasons that financial exploitation
21 may be unreported to authorities;

22 (C) to the extent that suspected elder fi-
23 nancial exploitation is currently being re-
24 ported—

1 (i) information regarding which Fed-
2 eral, State, and local agencies are receiving
3 reports, including adult protective services,
4 law enforcement, industry, regulators, and
5 professional licensing boards;

6 (ii) information regarding what infor-
7 mation is being collected by such agencies;
8 and

9 (iii) information regarding the actions
10 that are taken by such agencies upon re-
11 ceipt of the report and any limits on the
12 agencies' ability to prevent exploitation,
13 such as jurisdictional limits, a lack of ex-
14 pertise, resource challenges, or limiting cri-
15 teria with regard to the types of victims
16 they are permitted to serve;

17 (D) an analysis of gaps that may exist in
18 empowering Federal, State, and local agencies
19 to prevent senior exploitation or respond effec-
20 tively to suspected senior financial exploitation;
21 and

22 (E) an analysis of the legal hurdles that
23 prevent Federal, State, and local agencies from
24 effectively partnering with each other and pri-

Attest: **CHERYL L. JOHNSON,**
Clerk.