

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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HOUSE BILL 862

Short Title: Seniors' Fraud Protection Act. (Public)

Sponsors: Representatives Hanes, Lambeth, Howard, and Insko (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Appropriations

April 21, 2017

1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE THE ATTORNEY GENERAL TO OPERATE AND MAINTAIN A
3 DATABASE THAT CAN BE USED TO INVESTIGATE POTENTIAL FINANCIAL
4 EXPLOITATION OF SENIORS AND DISABLED ADULTS AND TO REQUIRE THAT
5 FINANCIAL INSTITUTIONS REPORT POTENTIAL FINANCIAL EXPLOITATION
6 OF OLDER ADULTS TO THE ATTORNEY GENERAL.

7 The General Assembly of North Carolina enacts:

8 SECTION 1. Article 1 of Chapter 114 of the General Statutes is amended by
9 adding a new section to read:

10 "**§ 114-8.8. Older adult exploitation database.**

11 (a) Operation of Database Required. – The Attorney General shall operate and maintain
12 an Internet-accessible database that collects reports made by financial institutions pursuant to
13 G.S. 108A-115(a)(4), and the Attorney General may prescribe the manner and format of reports
14 made pursuant to that subdivision.

15 (b) Access. – The Attorney General shall ensure that the database operated under this
16 section is accessible to district attorneys, law enforcement agencies, the Commissioner of
17 Banks, the State Bureau of Investigation, the Department of Insurance, the State Licensing
18 Board for General Contractors, and any other State or local agency that routinely interacts with
19 older adults who may potentially be targets of financial exploitation, in the sole discretion of
20 the Attorney General. The database shall be accessed for the sole purpose of investigating
21 potential financial exploitation of older adults.

22 (c) Database Contents Not a Public Record. – The contents of the database operated
23 under this section shall not constitute a public record under Chapter 132 of the General Statutes
24 and shall be confidential and only accessed by employees of the agencies described in
25 subsection (b) of this section or designated pursuant thereto. The Attorney General shall require
26 all agencies and individuals that access the database to take measures to protect the privacy of
27 its contents and shall ensure that a mechanism is in place to delete incorrect or outdated data
28 from the database.

29 (d) Input of Data From Sources Other Than Financial Institutions. – In addition to
30 accepting reports from financial institutions pursuant to G.S. 108A-115(a)(4), the Attorney
31 General may accept and include in the database operated pursuant to this section information
32 from other persons or entities who have reasonable cause to believe that an older adult is the
33 victim or target of financial exploitation. The Attorney General shall take measures to ensure
34 that only reliable sources of information are accepted under this subsection."

35 SECTION 2. G.S. 108A-115 reads as rewritten:



1 **"§ 108A-115. Duty to report suspected fraud; content of report; immunity for reporting.**

2 (a) Any financial institution, or officer or employee thereof, having reasonable cause to
3 believe that a disabled adult or older adult is the victim or target of financial exploitation shall
4 report such information to the following:

5 (1) Persons on the list provided by the customer under G.S. 108A-114, if such a
6 list has been provided by the customer. The financial institution may choose
7 not to contact persons on the provided list if the financial institution suspects
8 that those persons are financially exploiting the disabled adult or older adult.

9 (2) The appropriate local law enforcement agency.

10 (3) The appropriate county department of social services, if the customer is a
11 disabled adult.

12 (4) The Attorney General.

13 (b) ~~The report~~ A report made pursuant to subdivisions (1) through (3) of subsection (a)
14 of this section may be made orally or in writing. A report made pursuant to subdivision (4) of
15 subsection (a) of this section shall be made in the manner prescribed by the Attorney General.

16 The report shall include the name and address of the disabled adult or older adult, the nature of
17 the suspected financial exploitation, and any other pertinent information.

18 (c) No financial institution, or officer or employee thereof, who acts in good faith in
19 making a report under this section may be held liable in any action for doing so."

20 **SECTION 3.** There is appropriated from the General Fund to the Department of
21 Justice the sum of seventy-five thousand dollars (\$75,000) for the 2017-2018 fiscal year for the
22 purpose of establishing the database created pursuant to this act.

23 **SECTION 4.** Section 2 of this act becomes effective January 1, 2018. The
24 remainder of this act is effective July 1, 2017.