

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 6323
OFFERED BY MR. GOTTHEIMER OF NEW JERSEY
AND MR. HOLLINGSWORTH OF INDIANA**

Strike all after the enacting clause and insert the following:

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “National Senior Inves-
3 tor Initiative Act of 2018” or the “Senior Security Act
4 of 2018”.

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

1 “(B) be appointed by the Chairman, in
2 consultation with the Commission, from among
3 individuals—

4 “(i) currently employed by the Com-
5 mission or from outside of the Commis-
6 sion; and

7 “(ii) having experience in advocating
8 for the interests of senior investors.

9 “(3) STAFFING.—The Chairman shall ensure
10 that—

11 “(A) the Taskforce is staffed sufficiently to
12 carry out fully the requirements of this sub-
13 section; and

14 “(B) such staff shall include individuals
15 from the Division of Enforcement, Office of
16 Compliance Inspections and Examinations, and
17 Office of Investor Education and Advocacy.

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

1 “(5) FUNCTIONS OF THE TASKFORCE.—The
2 Taskforce shall—

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

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

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

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

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

1 ing, and Urban Affairs of the Senate and the Com-
 2 mittee on Financial Services of the House of Rep-
 3 resentatives, the first of which shall not be issued
 4 until after the report described in section 3 of the
 5 National Senior Investor Initiative Act of 2018 has
 6 been issued and considered by the Taskforce, con-
 7 taining—

8 “(A) appropriate statistical information
 9 and full and substantive analysis;

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

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

16 “(D) key observations, ^{best} ~~and~~ ^{and areas needing} practices, ^{improvement,} involv-
 17 ing senior investors identified during examina-
 18 tions, enforcement actions, and investor edu-
 19 cation outreach;

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

23 “(F) an analysis with regard to existing
 24 policies and procedures of brokers, dealers, in-
 25 vestment advisers, and other market partici-

1 pants related to senior investors and senior in-
2 vestor-related topics and whether these policies
3 and procedures need to be further developed or
4 refined;

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

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

13 “(7) SUNSET.—The Taskforce shall terminate
14 after the end of the 10-year period beginning on the
15 date of the enactment of this subsection, but may be
16 reestablished by the Chairman.

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

20 **SEC. 3. GAO STUDY.**

21 (a) IN GENERAL.—Not later than 1 year after the
22 date of enactment of this Act, the Comptroller General
23 of the United States shall submit to Congress and the
24 Senior Investor Taskforce the results of a study on the

1 economic costs of the financial exploitation of senior citi-
2 zens.

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

5 (1) costs—

6 (A) associated with losses by victims that
7 were incurred as a result of the financial exploi-
8 tation of senior citizens;

9 (B) incurred by State and Federal agen-
10 cies, law enforcement and investigatory agen-
11 cies, public benefit programs, public health pro-
12 grams, and other public programs as a result of
13 the financial exploitation of senior citizens; and

14 (C) incurred by the private sector as a re-
15 sult of the financial exploitation of senior citi-
16 zens; and

17 (2) any other relevant costs that—

18 (A) result from the financial exploitation of
19 senior citizens; and

20 (B) the Comptroller General determines
21 are necessary and appropriate to include in
22 order to provide Congress and the public with
23 a full and accurate understanding of the eco-
24 nomic costs resulting from the financial exploi-
25 tation of senior citizens in the United States.

1 (c) SENIOR CITIZEN DEFINED.—For purposes of this
2 section, the term “senior citizen” means an individual over
3 the age of 65.

