



American
Bankers
Association®

National Conference of State Legislatures

Bank Strategies for Preventing
Elder Financial Abuse and Exploitation

Corey Carlisle, ABA Foundation

Why Banks Care: Business Case

- Customer demographic
 - Older Americans (62+) 57 million or 17.9% of population
- Banking habits
 - Older Americans (50+) hold 67% of all bank deposits
 - Over 3/4 of households headed by a consumer age 65+ are fully banked.
 - Older households (especially those 70+) are much more likely to rely on tellers as primary form of banking.
 - Older Americans (55+) have the best credit scores compared to all younger age groups
- Financial losses for Older Customers and Banks Alike
 - \$2.9 B (2011 MetLife Mature Market Institute)
 - \$1.7 B (2013 ABA Deposit Account Fraud Study → \$1.2 B from 50+)

Federal Regulatory Compliance

- 2011 Financial Crime Enforcement Network (FinCEN) Advisory:
 - Suspicious Activity Reports (SARs) are a valuable reporting avenue for elder financial exploitation cases.
 - https://www.fincen.gov/statutes_regs/guidance/pdf/fin-2011-a003.pdf
- 2013 Interagency Guidance:
 - Reporting financial abuse of older adults to appropriate authorities does not, in general, violate the privacy provisions of Gramm Leach Bliley Act (GLBA).
 - <http://www.federalreserve.gov/newsevents/press/bcreg/bcreg20130924a2.pdf>

State Regulatory Compliance

- All 50 states have elder/dependent adult abuse laws
 - <http://www.ncea.aoa.gov/Library/Policy/Law/State/index.aspx>
- Federal guidance/state laws apply concurrently
- Laws have common elements:
 - Mandatory v. voluntary
 - To whom is report filed
 - What to report
 - Disclosure of records
 - Safe harbor conditions
 - Privacy protections
 - Ability to freeze account

Bank Procedures & Consumer Education

- 2016 CFPB Advisory and Report - Recommendations
 1. Develop, implement and maintain internal protocols and procedures for protecting account holders from elder financial exploitation.
 2. Train management and staff to prevent, detect, and respond to elder financial exploitation.
 3. Detect elder financial exploitation by harnessing technology.
 4. Report all cases of suspected exploitation to relevant federal, state and local authorities.
 5. Protect older account holders.
 6. Collaborate with other stakeholders.
 - Participate in and support coordinated efforts to educate older account holders, caregivers and the public (e.g. FDIC/CFPB Money Smart for Older Americans)

Bank Procedures & Consumer Education

- 2016 CFPB Advisory and Report
 - Advisory:
http://files.consumerfinance.gov/f/201603_cfpb_advisory-for-financial-institutions-on-preventing-and-responding-to-elder-financial-exploitation.pdf
 - Recommendations and Report:
http://files.consumerfinance.gov/f/201603_cfpb_recommendations-and-report-for-financial-institutions-on-preventing-and-responding-to-elder-financial-exploitation.pdf

Safe Banking for Seniors Program

- Banker-Delivered Consumer Education



**SAFE BANKING
FOR SENIORS**

Curriculum and Materials

- Module 1: Identifying and Avoiding Scams
- Module 2: Protecting Your Assets by Preventing Identity Theft
- Module 3: Choosing a Financial Caregiver
- Module 4: Being a Financial Caregiver
- Over 650 banks and 39 state bankers associations are participating in raising awareness of elder financial abuse through this program
- View Participation List at [aba.com/seniors](https://www.aba.com/seniors)



Practices in Protecting Older Consumers

- Annual ABA Foundation Community Commitment Awards
- Protecting Older Americans category added in 2014
- View entries via interactive map at (aba.com/communityengagement)

Banks In Their Communities

The ABA Foundation spotlights how banks connect with their customers and communities through the annual Community Commitment Awards. Use this interactive map to learn about the corporate social responsibility programs submitted for an award by banks across the U.S. and its territories.

Search for programs by state, bank name, category, asset size, and/or program summary keywords. Once the search selection(s) is made, click the search button to be taken to the search results list page.



Bank Name:

Category:

- All
- Affordable Housing
- Community & Economic Development
- Financial Education
- Nontraditional Borrower & Underbanked
- Other
- Protecting Older Americans
- Volunteerism

Asset Size:

- All
- Large (Over \$120B)
- Medium (\$5B-\$120B)
- Small (Up to \$4B)

Program Summary (Keyword Search):

Thank you!



Contact Information:

Corey Carlisle

Senior Vice President,
Bank Community Engagement

Phone: **202-663-5309**

E-mail: **ccarlisle@aba.com**