

2022 FEDERAL RETIREMENT SECURITY BLUEPRINT

SAFEGUARD CONSUMERS FROM FINANCIAL EXPLOITATION

AUTHORIZE AND INCREASE FEDERAL RESOURCES TO STATE ADULT PROTECTIVE AGENCIES

Recent federal and state laws and regulations have empowered financial industry professionals to report suspected elder financial exploitation cases to appropriate government agencies, such as state Adult Protective Services (APS). Unfortunately, APS offices across the country, primarily funded by their states, are underfunded, leaving them without enough staff or resources to thoroughly investigate an increasing number of reports of suspected financial abuse. To help address this lack of resources, **Congress should enact legislation such as the “Empowering States to Protect Seniors from Bad Actors Act” ([S.3529/H.R.5914-117th Congress](#)), which would establish a program at the Securities Exchange Commission (SEC) Office of Investor Advocate to provide grants on a competitive basis to state insurance and securities departments, agencies, or commissions.** The grant funds would be used to hire more staff, invest in

technology and educational resources, develop strategies to combat financial exploitation and fraud, including enhancing state law. With this additional source of federal funding, these state agencies will be able to increase their efforts to protect older investors from senior financial fraud and exploitation. Additionally, **Congress should enact legislation such as the “Elder Justice Reauthorization and Modernization Act of 2021” ([S.2674/H.R.4969-117th Congress](#)) to reauthorize federal assistance for under-funded state APS agencies to help them combat financial exploitation of older Americans.** Increasing the amount of federal funds appropriated to support these and other similar federal programs can help to ensure state APS agencies have the resources they need to investigate and prosecute suspected abuse and exploitation of the growing population of older Americans.

INCREASE PROTECTIONS AND SAFEGUARDS FOR PERSONAL FINANCIAL INFORMATION

With the insured retirement industry increasing its use of digital solutions to improve the experience of retirement savers, it remains vital that procedures are put in place to safeguard consumers’ personal data and breach notification processes are improved to protect consumers better. **Congress should enact legislation to establish uniform standards for security, privacy, and**

notification requirements that preempt the growing patchwork of state regulatory regimes. In enacting such legislation, **Congress should also consider the unique aspects of different industries by providing a broadly applicable framework and relying on regulatory rather than private enforcement mechanisms.**

PROHIBIT THE PRIVATE COLLECTION OF TAX DEBT FOR OLDER AMERICANS

One of the most prevalent scams targeting senior citizens involves persons impersonating IRS officials seeking to collect past due tax debt. These bad actors have an air of authenticity because the Internal Revenue Service (IRS) was mandated to use private collection agencies to collect tax debts. Since 2013, more than 2.4 million Americans have been targeted by scammers impersonating IRS officials, and more than 14,700 taxpayers have lost more than \$72.8 million. In these cases, criminals generally threaten victims with foreclosure, arrest, or deportation if payment is

not made. To help prevent older Americans from becoming victims of such scams, **Congress should amend the law mandating the IRS's use of private debt collection agencies to prohibit the assignment of tax-debt of any individual over the age of 65 to any authorized private tax debt collection agencies.** The proposed amendment would require the tax debt for these older Americans to be pursued only by the IRS. Such a prohibition will help prevent older Americans from becoming victims of this scam and potentially losing their hard-earned savings.