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(Original Signature of Member)

115TH CONGRESS
2D SESSION

H. R.

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

IN THE HOUSE OF REPRESENTATIVES

Mr. GOTTHEIMER introduced the following bill; which was referred to the
Committee on _____

A BILL

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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Senior Inves-
5 tor Initiative Act of 2018”.

6 **SEC. 2. SENIOR INVESTOR TASKFORCE.**

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

1 “(k) SENIOR INVESTOR TASKFORCE.—

2 “(1) ESTABLISHMENT.—There is established
3 within the Commission the Senior Investor
4 Taskforce (in this subsection referred to as the
5 ‘Taskforce’).

6 “(2) DIRECTOR OF THE TASKFORCE.—The
7 head of the Taskforce shall be the Director, who
8 shall—

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

10 “(B) be appointed by the Chairman, in
11 consultation with the Commission, from among
12 individuals—

13 “(i) currently employed by the Com-
14 mission or from outside of the Commis-
15 sion; and

16 “(ii) having experience in advocating
17 for the interests of senior investors.

18 “(3) STAFFING.—The Chairman shall ensure
19 that—

20 “(A) the Taskforce is staffed sufficiently to
21 carry out fully the requirements of this sub-
22 section; and

23 “(B) such staff shall include individuals
24 from the Division of Enforcement, Office of

1 Compliance Inspections and Examinations, and
2 Office of Investor Education and Advocacy.

3 “(4) MINIMIZING DUPLICATION OF EFFORTS.—

4 In organizing and staffing the Taskforce, the Chair-
5 man shall take such actions as may be necessary to
6 minimize the duplication of efforts within the divi-
7 sions and offices described under paragraph (3)(B)
8 and any other divisions, offices, or taskforces of the
9 Commission.

10 “(5) FUNCTIONS OF THE TASKFORCE.—The
11 Taskforce shall—

12 “(A) identify problems that senior inves-
13 tors have with financial services providers and
14 investment products;

15 “(B) identify areas in which senior inves-
16 tors would benefit from changes in the regula-
17 tions of the Commission or the rules of self-reg-
18 ulatory organizations;

19 “(C) coordinate, as appropriate, with other
20 offices within the Commission, other taskforces
21 that may be established within the Commission,
22 and self-regulatory organizations; and

23 “(D) consult, as appropriate, with State
24 securities and law enforcement authorities,

1 State insurance regulators, and other Federal
2 agencies.

3 “(6) REPORT.—The Taskforce, in coordination,
4 as appropriate, with the Office of the Investor Advoca-
5 cate and self-regulatory organizations, and in con-
6 sultation, as appropriate, with State securities and
7 law enforcement authorities, State insurance regu-
8 lators, and Federal agencies, shall issue a report
9 every 2 years to the Committee on Banking, Hous-
10 ing, and Urban Affairs of the Senate and the Com-
11 mittee on Financial Services of the House of Rep-
12 resentatives, the first of which shall not be issued
13 until after the report described in section 3 of the
14 National Senior Investor Initiative Act of 2018 has
15 been issued and considered by the Taskforce, con-
16 taining—

17 “(A) appropriate statistical information
18 and full and substantive analysis;

19 “(B) a summary of recent industry trends
20 that have impacted the investment landscape
21 for senior investors;

22 “(C) a summary of regulatory initiatives
23 that have concentrated on senior investors and
24 industry practices related to senior investors;

1 “(D) key observations and practices involv-
2 ing senior investors identified during examina-
3 tions, enforcement actions, and investor edu-
4 cation outreach;

5 “(E) a summary of the most serious issues
6 encountered by senior investors;

7 “(F) an analysis with regard to existing
8 policies and procedures of brokers, dealers, in-
9 vestment advisers, and other market partici-
10 pants related to senior investors and senior in-
11 vestor-related topics and whether these policies
12 and procedures need to be further developed or
13 refined;

14 “(G) recommendations for such changes to
15 the regulations, guidance, and orders of the
16 Commission and such legislative actions as may
17 be appropriate to resolve problems encountered
18 by senior investors; and

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

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

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

4 **SEC. 3. GAO STUDY.**

5 (a) IN GENERAL.—Not later than 1 year after the
6 date of enactment of this Act, the Comptroller General
7 of the United States shall submit to Congress and the
8 Senior Investor Taskforce the results of a study on the
9 economic costs of the financial exploitation of senior citi-
10 zens.

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

13 (1) costs—

14 (A) associated with losses by victims that
15 were incurred as a result of the financial exploi-
16 tation of senior citizens;

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

22 (C) incurred by the private sector as a re-
23 sult of the financial exploitation of senior citi-
24 zens; and

25 (2) any other relevant costs that—

1 (A) result from the financial exploitation of
2 senior citizens; and

3 (B) the Comptroller General determines
4 are necessary and appropriate to include in
5 order to provide Congress and the public with
6 a full and accurate understanding of the eco-
7 nomic costs resulting from the financial exploi-
8 tation of senior citizens in the United States.

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