

Senator Green Files Legislation To Protect Senior & Disabled Investors

JEFFERSON CITY, MO – Sen. Timothy P. Green, D-Spanish Lake, has pre-filed two bills that will protect elderly and disabled Missourians from securities fraud. Missouri lawmakers began pre-filing bills December 1st for the legislative session that begins January 7, 2009.

Senate Bill 91 discourages securities fraud against senior and disabled investors by increasing the penalties for fraudulent acts committed against senior citizens and the disabled. The proposal stipulates that a defendant convicted of securities fraud against an elderly or disabled person may not be fined less than \$50,000, and it allows the Commissioner of Securities to impose enhanced penalties for such crimes. The act defines a senior as someone 60 years of age or older and a disabled person as “a person with a physical or mental impairment that substantially limits one or more of the major life activities of such an individual.”

Sen. Green says current law treats all defendants convicted of securities fraud the same, ignoring the fact that more than 75% of fraud victims are senior citizens.

“This legislation recognizes the impact this type of fraud has on our seniors and our disabled citizens who are more vulnerable to this type of scam,” Sen. Green said. “Those who plunder the retirement savings of Missouri seniors or defraud disabled Missourians will now face large fines.”

Green also notes SB 91 authorizes the Commissioner of Securities to order a defendant convicted of securities fraud to pay restitution.

Senate Bill 92, pre-filed by Sen. Green, also modifies Missouri securities law to protect investors. The act ensures sellers of variable annuities play by the rules, it clearly defines variable annuities as securities, and it brings state law in accordance with federal law.

Sen. Green says SB 91 and SB 92 both have the strong support of Secretary of State Robin Carnahan, whose office handles securities regulation in Missouri.

“The Secretary of State says this type of fraud becomes more prevalent in tough economic times like we are facing today,” Sen. Green said. “I commend her office for aggressively targeting securities fraud against our elderly and disabled citizens, but we as lawmakers must give her office the additional tools they need to successfully combat these crimes against our most vulnerable citizens.”

Sen. Green notes that the entire Senate Democratic Caucus has co-sponsored his two bills to fight securities fraud against senior and disabled Missourians.

“I thank my colleagues and the Secretary of State for supporting these common-sense measures to protect Missouri investors,” Sen. Green said. “People already worried about their retirement savings due to the downturn in the economy are more susceptible to investment scams. I believe these bills will discourage this type of despicable behavior in Missouri.”

The First Regular Session of the 95th Missouri General Assembly convenes January 7 at noon.

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