

U.S. Sen. Baldwin: Stands up for Wisconsin seniors with new bipartisan legislation

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WASHINGTON, D.C. – U.S. Senator Tammy Baldwin has introduced bipartisan legislation to protect seniors who have fallen victim to financial scams and ensure they can get paid back. The *Edith Shorougian Senior Victims of Fraud Compensation Act* or “Edith’s Bill” would incentivize states to pay back senior victims of fraud through the Crime Victims Fund established by the Department of Justice. The legislation is cosponsored by Senators Bill Cassidy (R-LA) and Richard Blumenthal (D-CT).

Baldwin took action after learning the story of Edith Shorougian and her family, [first reported by TMJ4 in Milwaukee](#), who were scammed out of more than \$80,000 by their longtime financial adviser, and fear they will never get back the money that was stolen from them.

“When I heard Edith’s story, I was heartbroken,” **said Senator Baldwin**. “We need to protect seniors who are especially vulnerable to fraud and abuse by bad actors, and protect the retirement savings they worked so hard over a lifetime to build. When seniors get scammed, they should be paid back and that’s what my bipartisan reform will do.”

“My mother-in-law, Edith Shorougian, is a kind and generous woman. Unfortunately, a heartless financial advisor took advantage of Edith’s kindness,” **said Gerard Studer, Edith’s son-in-law**. “I contacted Senator Baldwin because I saw firsthand how devastating it was to Edith to be betrayed by someone she considered a friend. I wanted to know if there was any way we could get the Laws changed to protect the life savings of others like Edith. Unfortunately, seniors are easy targets and are

taken advantage of daily! By the time family members discover the wrongdoing, it is too late to seek justice and they rarely receive any restitution after they're defrauded of money gained through a lifetime of hard work and sacrifice. We are proud that Senator Baldwin's bipartisan legislation honors Edith and that it gives seniors like her a chance to regain money stolen from them."

Elder fraud and abuse is a growing problem as our nation's population continues to age. Seniors are especially vulnerable to predators due to their accumulated income and assets, potential cognitive decline, and dependency on others to care for them - including family members and trusted friends who have access to their finances. Unfortunately, the vast majority of seniors never see any compensation after they've been swindled by fraudsters stealing money earned over a lifetime of hard work. A Consumer Financial Protection Bureau analysis found that victims over 70 lose on average more than \$40,000 - a devastating loss for individuals on fixed incomes.

"Senior fraud is a widespread and growing problem and sadly in many cases the fraudster is a trusted friend, family or financial advisor," **said Robert Blacato, National Coordinator of the Elder Justice Coalition.** "These scams are devastating on a personal and financial level. Many seniors lose significant portions of their retirement savings that they've worked decades to earn - and never see a penny in restitution even if the scam artist is caught and convicted. The Elder Justice Coalition is proud to support the bipartisan *Edith Shorougian Senior Victims of Fraud Compensation Act*, an important step in providing compensation to defrauded seniors."

"At the National Clearinghouse for Abuse in Later Life (NCALL), we know all too well how devastating elder financial abuse is to seniors living on fixed incomes," **said Bonnie Brandl, Director of NCALL.** "Older Americans have contributed so much to our nation and it's simply wrong that so many are losing their life savings to criminals. It is rare for Seniors to receive compensation even after fraudsters are caught and convicted. We commend Senators Tammy Baldwin and Bill Cassidy for providing an innovative solution to this problem. NCALL strongly supports the *Edith Shoroguian Senior Victims of Fraud Compensation Act* and urges the Senate to swiftly pass this important bipartisan bill."

Background:

Currently, states can get funding for state victim compensation and assistance

programs through the Crime Victims Fund which was established in the *Victims of Crime Act of 1984 (VOCA)*. The Crime Victims Fund reimburses states for 60% of funds they give to constituents in compensation, but only for certain eligible items such as medical bills, lost wages and funeral and burial costs. Because senior fraud is not included under VOCA as an eligible expense that will be reimbursed, states have no incentive to include this item in their Victim Compensation Programs. Edith's Bill would amend VOCA to add senior fraud as an eligible item, allowing states to pay back victims of senior fraud and be reimbursed by the Crime Victims Fund.

The Crime Victims Fund is funded by penalties and fines from criminal convictions, not taxpayer dollars. In order to supplement the fund and help sustain support for vital, crime victim services, Edith's Bill would also amend the *Victims of Crime Act* so that payments from Deferred and Non-Prosecution Agreements – agreements often used by the Department of Justice to go after white collar criminals – be deposited into the Crime Victims Fund as well. Currently, those DPA and NPA penalties/fines go into the general Treasury fund because they're not technically criminal convictions.

Edith's Bill is supported by AARP, Alzheimer's Association, Alzheimer's Impact Movement, Elder Justice Coalition, National Coalition against Domestic Violence (NCADV), National Network to End Domestic Violence, National Alliance to End Sexual Violence (NAESV), National Children's Alliance, National Organization for Victim Assistance (NOVA), Justice in Aging, The National Clearinghouse on Abuse in Later Life (NCALL), Public Investors Advocate Bar Association (PIABA), Association of Jewish Aging Services (AJAS), North American Securities Administrators Association (NASAA) and Public Citizen.

Full text of the legislation is available [here](#).

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