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# Press call on senior certification report

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**Prepared Remarks of Richard Cordray  
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Press Call on Senior Certification Report**

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Thank you for joining us on this call today. While we work on behalf of all consumers, Congress specifically recognized the needs of older Americans when it comes to financial protection. The law requires us to have an office that focuses on serving older Americans, and that office currently is headed by my esteemed colleague, Skip Humphrey. Skip and his team have a singular focus on improving the financial lives of our growing numbers of seniors. We now have 50 million older Americans in this country; and with the aging of the baby boomers, that number is expected to grow to 70 million by 2030.

As the past few years have revealed all too clearly, financial products have the potential to wreak havoc on every individual consumer and on the broader American economy. Older Americans are no exception, and in many cases they are the specific targets of unfair, deceptive and abusive financial practices.

In my time as Attorney General of Ohio, I saw too many heartbreaking situations where older Americans had lost their entire life savings to a scam or a fraudulent sweepstakes offer. I recall a four-inch stack of mail that one man brought me, which his elderly mother had received just in the past month after she had signed up for one of the phony sweepstakes offerings.

Many seniors have routines, and their predictable patterns can make them easier targets for predators. They can be lonely or overly trusting, and we now have many ways for perfect strangers to communicate with them, often taking advantage of their trust. We have seen this quite plainly with so-called “senior financial advisers.” Congress directed the Bureau to make recommendations that will help older consumers identify and verify a financial adviser’s credentials or “senior designations,” which can include any degree, title, certificate, or accreditation that implies a financial adviser has some kind of senior-specific expertise or training.

We found that these so-called advisers may use any of more than fifty different senior designations to promote their services to older Americans. With such a bewildering array of titles and acronyms, it is no wonder that seniors are often confused and misled by these titles. The designations can be earned from places as varied as a three-hour online course offered by a for-profit company to a two-year graduate degree from a reputable university. Our research found that the training and standards required to attain these credentials varies enormously.

A senior choosing between an Accredited Retirement Advisor and an Accredited Estate Planner will likely do so without knowing which one is required to have five years of experience and some graduate level education and which is not – and hence to know who is better equipped to advise them on financial matters. Because many different types of professionals, like stock brokers or insurance agents, use these senior designations, there are multiple federal and state regulators that may oversee them. Some may fall through the cracks of a complex marketplace.

Consumer protection concerns in this arena have increased as more consumers turn to professionals for retirement guidance and advice. At the Consumer Bureau, we have requested public comments and held roundtables in order to better understand people’s experiences. We heard about the challenges people face in verifying the legitimacy of an adviser’s credentials, given the lack of consistent standards in achieving and maintaining these credentials.

A striking takeaway from these roundtables was the vulnerability of many older Americans. Seniors may assume that a financial adviser has their best interest at heart, when that is not necessarily the case. If they fall prey to a scam, they may be too embarrassed or too frail

to pursue legal action.

We need to educate and inform not only older Americans but also the caregiver generation – people like me with an elderly parent. My father is 95. He grew up during the Great Depression and he has always been remarkably self-sufficient. He should not have to fend off unscrupulous advisers who are trying to raid the life savings of seniors. Those in our generation need to take time to learn about these financial products and services so we can help ensure that our parents and other older Americans are able to make the best financial decisions for themselves.

Today’s report illuminates the challenges that older consumers face in trying to navigate the complex world of financial advice for seniors. The report also highlights the need for consistent high-level standards of training and conduct for those advisers who want to acquire a bona fide senior designation. I want to thank both the SEC and FINRA for all of their collaboration with us in preparing this report.

The Consumer Financial Protection Bureau is dedicated to working in every way we can to improve the financial lives of America’s seniors – a generation that has earned the right to all the protection we can reasonably afford them. We have come to refer to them as the “Greatest Generation” because they have given so much to our nation. Now it is our job to make our best efforts to protect them, as they so richly deserve.

Thank you.



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