



PA House of Representatives

Republican Policy Committee

414, Main Capitol Building
Harrisburg, PA 17120
(717) 260-6144

Rep. Joshua D. Kail
Chairman

PA House Republican Policy Committee Hearing

“Safeguarding Our Community From Fraud”

March 8, 2024, at 9 a.m.

Neshaminy Activity Center
1842 Brownsville Road
Feasterville, PA 19053

9:00 a.m. Welcome and Pledge of Allegiance

County Safeguards Panel

9:10 a.m. Hon. Fred Harran
Sheriff, Bucks County

9:15 a.m. Hon. Jennifer Schorn
District Attorney, Bucks County

9:20 a.m. Hon. Daniel J. McPhillips
Recorder of Deeds, Bucks County

9:25 a.m. Questions for the County Safeguards Panel

Consumer Safeguards Panel

9:55 a.m. Nicolette Brown
Director of Customer Care, PECO Energy

10:00 a.m. Jeane M. Vidoni
President and CEO, Penn Community Bank

Rick Cimasky
Director of Fraud and Security Management, Penn Community Bank

10:05 a.m. Questions for the Corporate Safeguards Panel

10:35 a.m. Closing Comments



Testifier Biographies

PA House of Representatives Policy Committee Hearing *"Safeguarding Our Community From Fraud"*



Hon. Fred Harran **Sheriff, Bucks County**

Sheriff Harran, originally from New York, moved to Pennsylvania in 1982, where he received his Bachelor of Science Degree in Political Science. He earned his Master's Degree in Criminal Justice Administration from St. Joseph's University. He is also a graduate of the Northwestern University School of Police Staff and Command.

Sheriff Harran had served in law enforcement with the Bensalem Township Police Department in Bucks County, Pennsylvania for 35 years and was the Director of Public Safety for the last 16 years there. As Director, he was responsible for the management and operation of the police department and for the coordination of the township's Fire and Rescue departments. In 2021 he was elected as the Sheriff of Bucks County, PA

He currently serves on many law enforcement and community boards and organizations, including; Chairman of the Bucks County Chiefs of Police Association Executive Board, Chairman of the Bucks County Juvenile Crime Enforcement Coalition, Chairman of the County Emergency Response Team Board, Executive Board of the Delaware Valley Crime Commission, IACP Forensic Science Committee, the Bucks County Domestic Violence Coalition and serves as a member of the Board of Directors for the Bucks County Drug and Alcohol Commission. He served on the Bureau of Justice Assistance Sexual Assault Committee. He has recently been appointed by the FBI to the Organization of Scientific Area Committees (OSAC) Biology DNA Interpretation and Reporting Committee Rapid DNA Task Group. He was elected to the Pennsylvania Chiefs of Police Executive Board representing Southeastern Pennsylvania and to State Associations of Chiefs of Police (SACOP) and represented Pennsylvania and served as Chairman of the North Atlantic Region of the United States.

Sheriff Harran is a published author of multiple articles including Property Crime and DNA Databases which have been featured in National Police Magazines. He was instrumental in implementing the first countywide local DNA database in the United States. He has also written and received grants in excess of 19 million dollars.

Hon. Jennifer Schorn **District Attorney, Bucks County**

Jennifer Schorn, a Bucks County native with over a quarter-century of experience as a prosecutor, became the Bucks County District Attorney in January 2024.

She grew up in Upper Southampton Township and is a graduate of Archbishop Wood High School, and Widener University Law School.

Jennifer joined the Bucks County District Attorney's Office as an Assistant District Attorney in 1999. She was appointed the First Assistant District Attorney in 2021 after previously serving in the dual role of Chief of Trials and Chief of the Grand Jury Division.





Hon. Daniel J. McPhillips **Recorder of Deeds, Bucks County**

Dan McPhillips is a lifelong resident of Bucks County and has served the County of Bucks for almost a decade.

Prior to entering the public sector, Dan served in management roles in the private sector where he had oversight of large teams and multi-million-dollar budgets. Dan is a former member of the Warminster Township Board of Supervisors and served two terms as the Chairman of the Board. Before his service as a Township Supervisor, Dan served on the Warminster Township Planning Commission, Zoning Hearing Board

and Budget and Finance Committee, and was a founding member of the Warminster Township Economic Development Committee.

Dan's additional Bucks County experience includes President of Bucks County Association of Township Officials, Member of Bucks County Housing Advisory Board and the Bucks County Community Development Block Grant Board. Dan currently serves as a Member of the Board of Directors for the Bucks County Community College Authority Board.

As an active member of his community, Dan serves on the Board of Directors for Big Brothers and Big Sisters of Bucks County, the Aldie Foundation and the Greater Bucks Mont Chamber of Commerce. Dan is a graduate of Archbishop Wood High School and earned his Bachelor of Arts in Political Science from LaSalle University.

Nicolette Brown **Director of Customer Care, PECO Energy**

Nicolette is the Director of Customer Care at PECO Energy Company. In this role, she is responsible for handling customer inquiries as it relates to billing, disconnect/reconnect requests, credit and collections and emergencies. She leads a team of 215 people and manages a budget of approximately 30 million dollars.



Prior to her current position, Nicolette has served in a variety of Manager positions in Electric Operations at PECO including Sr. Manager of DSO Field Operations where her primary responsibility was managing the resourcing and execution of all emergent aerial and underground electric outages; overseeing the operation and maintenance of all distribution automation assets on the system. Nicolette began working at PECO 19 years ago as a Principal Analyst in Accounting. She performed in this role for 4 years before she made a decision to change her career path and move into Electric Operations and now Customer Operations.

Prior to PECO Energy Company, Nicolette worked in a variety of roles of varying levels performing operational accounting.

Nicolette recently rolled off of a 9-year term on the Board of Directors for the Pennsylvania School for the Deaf and is currently seeking her next Board opportunity. She is an active member and Trustee emeritus of her church, Bethlehem Baptist Church, located in Spring House, Pa.

Nicolette received her Bachelor of Science degree with a Concentration in Accounting from the McIntire School of Commerce at the University of Virginia. She is a Certified Public Accountant in the state of Pennsylvania.

Nicolette and her husband, Larry, reside in Montgomery County with their 4 children.



Jeane M. Vidoni
President and CEO, Penn Community Bank

Jeane Vidoni is a transformational leader who knows the power of community banking to help individuals, families, and businesses thrive. As president and CEO of Penn Community Bank, Jeane inspires its dynamic, dedicated team to fulfill the bank's mission to act as a catalyst for growth in every community it serves. Jeane leads a team of more than 300 employees at the largest mutual financial institution headquartered in eastern Pennsylvania. Her primary mission is to ensure that Bucks and Montgomery counties and the surrounding areas have the option to do business with a locally based, independently run bank for decades to come.

Over the course of more than 35 years in banking, Jeane served in various executive roles at financial institutions of all sizes throughout the Philadelphia region, gaining insight into the workings of community, regional and corporate banks. As an active leader in the Pennsylvania business and financial community, Jeane donates her time and leadership talents to several industry groups, including as chair of the Federal Reserve of Philadelphia's Community Depository Institutions Advisory Council (CDIAC). In 2022 Jeane was appointed by the Board of Governors of the Federal Reserve System to serve as vice chair of the national CDIAC and offer her insight on banking and lending conditions that affect the economy. In addition, she serves as Pennsylvania Member Director on the board of directors of the Federal Home Loan Bank (FHLB) of Pittsburgh, which supports homeownership programs throughout Delaware, West Virginia, and Pennsylvania.

Jeane is committed to fulfilling Penn Community Bank's mission to act as a catalyst for growth in the communities it serves, representing the bank as a past president of the board of directors of the Central Bucks Chamber of Commerce, member of the advisory council of Habitat for Humanity of Bucks County, and on the board of directors of the United Way of Bucks County. A graduate of Muhlenberg College, Jeane holds an MBA from Saint Joseph's University. She lives in Doylestown, Bucks County.

Rick Cimasky
Director of Fraud and Security Management, Penn Community Bank

As Penn Community Bank's Fraud and Security Officer Rick Cimasky oversees the management, monitoring, and mitigation of all fraud related losses to the bank and its customers, as well as the physical safety of the bank's employees, visitors, and assets.

Prior to joining Penn Community Bank in 2020, Rick served as a Special Agent with the Federal Bureau of Investigations (FBI), including as coordinator of the FBI's Bucks - Montgomery County Safe Streets Task Force. In his more than twenty years of service with the FBI, he has served at FBI Headquarters in Washington D.C., in joint duty collateral assignment, and as part of the FBI's Washington Field Office's cadre of investigative Special Agents.



Testimony - Bucks County Sheriff Fred Harran
Safeguarding Our Community from Fraud
State Representative Joe Hogan
Neshaminy Activity Center
March 8, 2024

Good Morning – My name is Fred Harran, Sheriff of Bucks County, PA. I am sure it is no surprise to any of you to hear law enforcement continues to combat a variety of crimes, not just throughout our country and our state, but right here in Bucks County.

Many of the crimes involve drugs, violence, and property crimes that obviously have a significant detrimental impact to our community. Still, there are also other serious crimes that often do not get the same attention or notoriety as those previously mentioned. However, the crime I am going to discuss today often has a lifelong, negative impact on the victim. The crime I am referring to is scams.

With the development of technology and social media these crimes can potentially impact all individuals. In this instance, the victim is tricked, and many times caught off guard, randomly and for no reason. One such scam our community is facing involves my office directly.

Via telephone, the criminal poses as a deputy sheriff, uses the actual name of a currently employed deputy, contacts the victim and calls them by their name, telling them there is a warrant for their arrest. The criminal proceeds to tell the victim if they do not arrange to pay the fine to the criminal right then and there, over the phone, the judge has ordered their immediate arrest and incarceration. Often the “crime” they are accused of is failure to show up for jury duty. They then demand payment either by wire transfer or the purchase of gift cards.

The phone number the criminal calls from is often a spoofed line which to the victim makes it appear the call is coming from a county sheriff’s office, such as the Bucks County Sheriff’s Office.

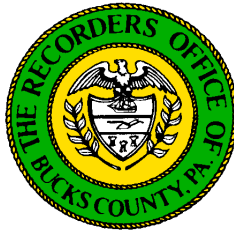
As unbelievable as this sounds, many people pay the stated fine to the criminal. In one case, an individual paid \$15,000 to the criminal for a fabricated crime with made-up fines. The list of frauds is long. Another prominent fraud we are seeing is criminals obtaining a copy of one of your checks and literally washing the check, rewriting it for their own self-gain. These criminals typically target individuals who tend to not make payments via the internet.

These cases become even more difficult because the criminal often resides outside of local law enforcement reach. They are not only outside the county, but outside the state, and sometimes outside our nation.

As I stated earlier, a scam of this nature could be a life changing event for someone. Think of the loss created when \$15,000 is stolen from your bank account. This would have a devastating impact on most Americans, leaving them struggling financially or possibly even unable to pay their monthly bills.

There needs to be severe consequences for the individuals committing these scam crimes of deception and fraud, preying on unsuspecting, vulnerable victims, and there must be mechanisms in place to conduct investigations to hold these criminals accountable.

Thank you for having me today and for your time in allowing me to speak on this matter.



RECORDER OF DEEDS

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COUNTY OF BUCKS

**Daniel J. McPhillips
Recorder of Deeds**

**Robyn M. Goodnoe
First Deputy**

**Suzanne McCracken
Second Deputy**

**Grace Deon
Solicitor**

Good morning, I would like to start by thanking the members of the Policy Committee for the opportunity to be here today. My name is Dan McPhillips and I'm the Bucks County Recorder of Deeds. As the Bucks County Recorder of Deeds, my office serves the nearly 700,000 residents of Bucks County. The primary responsibility of the Recorder of Deeds office is to record and maintain for permanent record all documents related to real estate (deeds, mortgages, subdivisions plan, etc.). On average, we record approximately 70,000 to 80,000 documents per year. Our oldest documents date back to the year 1684. Today I'm here to speak about my office's Free Fraud Alert program, share some examples of the fraud that we experienced and share some ways you can prevent fraud from happening to you.

When you sign up for this program, you will be alerted, by the Recorder of Deeds recording vendor, Landex, anytime a document has been recorded in my office against your name and/or tax parcel number.

Please note: If documents are received by the Recorder of Deeds office, in recordable form (signed and notarized) by law, they must record the document.

The following are a few examples of the fraudulent activities that my office had experienced:

- A husband and wife were planning to divorce, the deed to the property is in the husband's name. Yet, the wife attempted to transfer the deed to the property under her name.
- An attorney was representing a client, unknowingly, to the client, the attorney transferred the deed to the property in his name. The matter resulted in the attorney pleading guilty to deed fraud.
- A man announced to his family and friends that he paid off his mortgage, his niece, unknowingly, to the man, attempted to take out a mortgage on the property.

Solutions:

- Sign up for the Bucks County Fraud Alert Program
- It's free, you can sign up by your name and/or tax parcel number.

Education:

-Although, some private companies advertise that they can “lock” your title. That is simply not the case. In the state of Pennsylvania, deeds to property are a matter of public recorder.

-Don’t be a target, have some type of activity in front of your house, have a light on at night, don’t let newspapers or mail collect in front of your house. If someone believes that nobody lives at a house, they may try to target it for deed fraud.

In conclusion, when you consider for the average resident, the single largest purchase that they will make in their lifetime, is the purchase of their property. It only makes sense to protect your property. Unfortunately, deed fraud does happen, but it doesn’t have to happen to you.

Questions?

Testimony Before the Pennsylvania House of Representatives Republican Policy Committee
March 8, 2024 Hearing on Consumer Protection
Nicolette Brown, Director Customer Care, PECO

Hello, my name is Nicolette Brown. I am the Director of Customer Care at PECO.

PECO is the Philadelphia-based electric distribution company serving the City of Philadelphia, and the electric and natural gas distribution company serving Bucks, Chester, Delaware and Montgomery counties, as well as a portion of York County (electric) and Lancaster County (natural gas). We provide service to approximately 1.6 million electric and 532,000 natural gas customers across the region.

On behalf of the Company, I'd like to thank Rep. Joe Hogan, members of the committee, and staff for holding this important public hearing to address fraud, particularly activities that target our elderly communities. It is important that the public and private sectors work together to prevent exploitation by identifying vulnerabilities, sharing preventative measures, and promoting a unified approach to community protection against fraudulent activities.

Protecting customers from fraud is a serious undertaking for all of us at PECO. As part of our public utility obligations, we provide information to educate customers and tools to help them avoid scams and fraudulent activities regarding their accounts and services.

PECO offers ways to identify and avoid potential scams through numerous channels and has developed internal processes to protect customers from fraudulent activity. As our customer population ages and we serve an increasingly diverse population, we know that these protections are more important than ever.

At PECO, we take a comprehensive approach to protecting our customers from fraud:

Communications with our customers

- PECO provides anti-scam information through traditional media, social media, public forums and stakeholder events throughout the year
- We require our employees and contractors to carry identification with clearly identified name, photograph, and ID numbers
- We offer our 800-494-4000 toll free phone number where customers can confirm whether an individual representing themselves as working for PECO, either in-person or over the phone, is an actual PECO employee or contractor
- We also offer a website "peco.com/scams" with information on how customers can protect themselves against scams
- PECO employees will never ask for cash, gift cards or other forms of payments or personal banking information.
- If a PECO employee proactively reaches out to contact you, they should always be able to provide you with your correct name, address, account number and account balance

Protecting our Customers Against Unauthorized Switching

- PECO Customer Care Center employees receive extensive training on fraud protection, and all PECO employees are required to complete annual training on protecting customer Personal Identifiable Information (PII)
- PECO Customer Care Center works with customers on unauthorized customer switching disputes and processes the return to PECO as their default supplier upon customer requests
- We proactively reach out to suppliers to provide 3rd party verification or proof that the customer requested the switch to the supplier
- If the supplier is not able to provide proof, or if something looks amiss in the information provided by the supplier, PECO provides information to the affected customer regarding reporting the case to the PUC Office of Competitive Market Oversight (OCMO)

When the customer opens a dispute with the Customer Care Center, we can switch the customer back to PECO. A customer who feels that they would like additional protection against scams can also voluntarily identify a trusted third-party to receive account information, including proposed switches of electric suppliers – an option many of our elderly customers utilize.

Through both external communications and internal processes and procedures, we work to protect our customers from predatory activities by unscrupulous actors. We appreciate you shining a bright light on this important issue, and I'd be happy to answer any questions.



**Testimony Offered to the House Republican Policy Committee's
Public Hearing on "Safeguarding Our Community from Fraud"
March 8, 2024**

Good morning, Chairman Kail and policy committee members. I am Jeane Vidoni, President and CEO, of Penn Community Bank and I am joined by Rick Cimasky, our vice president of fraud and security management.

Penn Community Bank is deeply rooted in Bucks County with a legacy spanning over 150 years, making us the largest independent mutual bank in eastern Pennsylvania. With a team of over 300 dedicated employees and network of more than 25 banking centers, we are committed to serving our communities guided by our core Greater Good Banking values of service, inclusivity, trust, and integrity.

Today, we represent the PA Bankers and its 120 member banks, trust companies, savings banks, and their affiliates operating in the Commonwealth. We extend our gratitude to our local representative, Joe Hogan, for inviting us to address the concerning rise in financial fraud targeting senior citizens.

Background on Elder Financial Exploitation

Elder financial exploitation is the illegal or improper use of an older adult's funds, property, or assets. This includes misuse of powers of attorney, unauthorized withdrawals, scams, check, debit and credit card fraud. Each year, millions of older Americans suffer billions in irrecoverable losses. Despite its prevalence, quantifying the impact is challenging, with as few as 1 in 44 cases being officially reported.¹ Nonetheless, 1 in 5 seniors are believed to be a victim of a financial swindle,² with average losses reaching a staggering \$120,000.³

Victims not only suffer financial harm but also endure emotional distress, facing the loss of their savings, homes, and dignity. Moreover, the impact extends to family caregivers and taxpayers who shoulder additional burdens to support financially devastated victims. As our nation undergoes a demographic shift, with more seniors than children projected within the next decade, the urgency to address elder financial exploitation grows.

¹ <https://www.aging.pa.gov/publications/older-adults-financial-exploitation-study/Documents/PA%20Department%20of%20Aging%20%E2%80%93%20Financial%20Exploitation%20of%20Older%20Adults%20Study%20Report.pdf>

² <https://www.prnewswire.com/news-releases/survey-1-out-of-5-older-americans-are-financial-swindle-victims-many-adult-children-worry-about-parents-ability-to-handle-finances-96395079.html>

³ [The Thief Who Knows You: The Cost of Elder Exploitation Examined \(aarp.org\)](#)

Banking Industry Measures to Protect Older Adults

PA Bankers, in collaboration with the American Bankers Association (ABA), has spearheaded the development of numerous free tools and resources aimed at educating and increasing awareness about elder financial exploitation.

The Safe Banking for Seniors program has been embraced by more than 1600 member and non-member banks, offering comprehensive materials for conducting in-person or virtual workshops, leveraging social media platforms, and engaging in one-on-one conversations to educate communities about scams and financial protection.⁴

The banking industry has teamed up with the Federal Trade Commission to develop infographics addressing scams targeting seniors. These materials are freely accessible to both banks and non-banks, covering topics such as [fake check scams](#), [government imposter scams](#), and [romance scams](#). Additional, ongoing partnerships with organizations like the National Adult Protective Services Association and National Sheriffs Association work towards enhancing communication between banks and state authorities.

The industry also promotes an acclaimed anti-phishing campaign on [BanksNeverAskThat.com](#) to provide real-world tips for consumers to identify and avoid falling victim to phishing attempts. The campaign covers a wide range of topics, including recognizing suspicious emails, avoiding sharing sensitive information online, and understanding how to spot fraudulent messages. Banks Never Ask That is a vital campaign to promote online safety and security for consumers.

In addition to providing educational resources, 99% of surveyed banks offer training on elder financial exploitation for frontline staff.⁵ Banks actively protect older customers by utilizing automated monitoring tools to detect unusual account activity. When exploitation is suspected, banks promptly assign staff to review accounts and take necessary actions, such as filing suspicious activity reports or flagging and closing accounts.

Legislative Opportunity to Combat Elder Financial Exploitation

While universal bank practices include employee fraud detection training and reporting suspicious activity to the federal government, there's room for improved collaboration between banks and adult protective services. The 2018 approval of the federal Senior Safe Act granted legal immunities to trained bank employees who report elder financial exploitation, resulting in increased reporting to adult protective services. Yet, state legislatures are enacting laws to facilitate greater information sharing and allow for banks to refuse suspicious transactions before irreversible disbursements occur.

⁴ <https://www.aba.com/advocacy/community-programs/safe-banking-for-seniors>

⁵ [https://www.aba.com/news-research/analysis-guides/older-americans-benchmarking-report#:~:text=More%20than%20half%20of%20the,offer%20such%20products%20\(67%25\).](https://www.aba.com/news-research/analysis-guides/older-americans-benchmarking-report#:~:text=More%20than%20half%20of%20the,offer%20such%20products%20(67%25).)

PA Bankers supports HB 2064 and HB 2066 sponsored by Representatives Hogan and Munroe to establish a clear legal framework for banks to report to protective services and notify a contact associated with the older adult for assistance (if available). This proposal would authorize banks to halt suspicious transactions for further investigation and participate in legal proceedings to safeguard older adult customers' accounts in rare cases. Such legislation equips banks with more proactive tools to protect our senior communities. PA Bankers applauds Representatives Hogan and Munroe for their leadership and encourages members to support these legislative efforts.

Conclusion

Before concluding, I [Rick Cimasky] would like to take a moment to share my unique perspective on these crimes having served as both an FBI Special Agent and now as Penn Community's Bank Fraud and Security Officer.

During my time with the FBI, I often found myself consoling elderly victims who had lost their life's savings to fraudsters operating overseas who felt safe from prosecution as we had no mutual legal assistance treaties in place to cooperate with our investigative efforts. Most of these scams related to things like "foreign lotteries" or a romance related fraud involving a fictional military officer deployed overseas. Still in most instances my connection to that victim ended after intake of the complaint.

As a banker, I have witnessed the devastation caused by these schemes far too often. We're often the first to discover and investigate fraud, counsel our customers, and advocate for recovery. Unfortunately, restitution is rare due to the rapid and untraceable nature of international digital currency transfers, preferred by fraudsters.

In contrast to my previous role, where my involvement ended after intake, my current job extends for weeks, or even months. We work tirelessly to prevent further loss, support victims and their families as they work with law enforcement and utilize all available resources in search of recovery options.

In the past four years, I've witnessed elderly victims of these crimes experience severe consequences, including attempted suicide, family alienation, and the need to return to work to cover basic expenses.

PA Bankers and the banking industry are fully committed to safeguarding our elderly customers from financial exploitation. I can personally confirm the earlier mentioned statistics highlighting the vast threat of this issue. As a result, we prioritize employee training, account monitoring techniques, and engage in educational programs, public awareness campaigns, and advocate for stronger protection measures.

Thank you for allowing me to testify, and please feel free to ask any questions you may have.