

## Session 110 - (1993-1994)

### H 4372 General Bill, By Richardson, Harvin, J.G. Mattos and J.J. Snow

A Bill to establish as part of the State Law Enforcement Division a subdivision known as the Insurance Fraud Reporting Bureau, provide for the duties of the Bureau, require that the Bureau be notified of insurance fraud or related or similar activity, provide exemptions from civil and criminal liability for reporting insurance fraud and for conducting investigations under this Act, establish felony and misdemeanor offenses of committing insurance fraud and of knowingly abetting, soliciting, or conspiring with a person to commit insurance fraud, provide that the fines collected for these offenses be used to fund the management and operations of the Insurance Fraud Reporting Bureau, and require that restitution be made to victims of insurance fraud; to amend Section 38-55-170, as amended, Code of Laws of South Carolina, 1976, relating to presenting false insurance claims for payment, so as to change the penalties for the offense under this Section, require that the fines under this Section be used to fund the management and operations of the Insurance Fraud Reporting Bureau, and require that restitution be made to the victims of the offense under this Section; to provide that nothing in this Act shall be construed as abridging the ability, privilege, or right under the law of any insurer, health maintenance organization, or other person, including the State, from conducting its own investigation concerning insurance fraud or the presentment of a false insurance claim or related criminal activity; require the Director of the Insurance Fraud Reporting Bureau to disseminate provisions of this Act by publishing brochures or similar materials and to maintain a toll-free number to receive reports of insurance fraud and related criminal activity; to require the Insurance Fraud Reporting Bureau to make certain periodic reports; to amend Section 14-7-1610, as amended, relating to the State Grand Jury System, legislative intent, and the provision that Article 15 of Chapter 7, Title 14 (The State Grand Jury) does not limit the authority of the county grand jury, the solicitor, or other law enforcement personnel, so as to establish the legislative intent that there is a need to enhance the State Grand Jury System to improve the ability of the State to detect and investigate crimes involving insurance fraud, presentment of false insurance claims, and related criminal insurance activity, or any common law crime arising out of or in connection with the insurance laws or an attempt, aiding, abetting, solicitation, or conspiracy to commit a crime involving the insurance laws; to amend Section 14-7-1615, as amended, relating to definitions under the provisions of law regarding the State Grand Jury System, so as to define "insurance crimes" and "insurance law offenses"; and to amend Section 14-7-1630, as amended, relating to the jurisdiction of juries under the State Grand Jury System and related matters, so as to include in the subject matter jurisdiction of a state grand jury crimes involving insurance fraud, presenting a false insurance claim, and other similar and related insurance crime.

12/08/93 House **Prefiled**

12/08/93 House **Referred to Committee on Labor, Commerce and Industry**

01/11/94 House **Introduced and read first time HJ-33**

01/11/94 House **Referred to Committee on Labor, Commerce and Industry HJ-34**