

STATE OF OKLAHOMA

1st Session of the 47th Legislature (1999)

HOUSE BILL NO. 1502

By: Cox

AS INTRODUCED

An Act relating to insurance; creating the Insurance Fraud Unit within the Office of the Attorney General; authorizing the Insurance Fraud Unit to investigate and initiate certain actions for insurance fraud; prohibiting certain actions against persons providing information about insurance fraud; requiring cooperation among certain agencies; giving the Attorney General certain powers; providing for the confidentiality of certain records and documents; creating the Attorney General's Insurance Fraud Unit Revolving Fund; stating purpose of the fund; requiring certain money collected by the Insurance Department to be paid to the fund; providing for codification; providing an effective date; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 18n-1 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created within the Office of the Attorney General an Insurance Fraud Unit.

B. The Insurance Fraud Unit, upon inquiry or complaint, or referral from the Insurance Department, shall determine the extent, if any, to which a violation has occurred of any statute or administrative rule of this state pertaining to insurance fraud and may initiate any necessary investigation, civil action, criminal action, referral to the Insurance Commissioner or Insurance Department, referral to a district attorney, or referral to any appropriate official of this or any other state or of the federal government.

C. In the absence of fraud, bad faith, reckless disregard for the truth, or actual malice, no person, insurer, or agent of an insurer shall be liable for damages in a civil action or subject to criminal prosecution for communication, publication, or any other action taken to supply information about suspected insurance fraud to the Insurance Fraud Unit of the Office of the Attorney General or any other agency involved in the investigation or prosecution of suspected insurance fraud.

D. The Attorney General and the Office of the Attorney General, the Insurance Commissioner, the Insurance Department, every district attorney, and every law enforcement agency shall cooperate and coordinate efforts for the investigation and prosecution of suspected insurance fraud.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 18n-2 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. If the Attorney General or a designee has reason to believe as a result of inquiry, complaint, or referral from the Insurance Department that a person has engaged in or is engaging in an act or practice that violates any administrative rule or statute pertaining to insurance fraud, the Attorney General or a designee shall have all the powers of a district attorney.

B. Records, documents, reports, and evidence obtained or created by the Office of the Attorney General as a result of investigation or prosecution of insurance fraud shall be confidential and shall not be subject to the Oklahoma Open Records Act or to outside review or release by any individual except when authorized by the Attorney General or when required by an administrative or judicial proceeding.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 19.3 of Title 74, unless there is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a revolving fund for the Office of the Attorney General to be designated the "Attorney General's Insurance Fraud Unit Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies designated to the fund by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Attorney General for the purpose of investigation, civil action, criminal action, or referral to the district attorney in cases involving suspected insurance fraud. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1231.1 of Title 36, unless there is created a duplication in numbering, reads as follows:

One-third (1/3) of all monies collected by the Insurance Department pursuant to this act shall be paid to the Attorney General's Insurance Fraud Unit Revolving Fund created in Section 3 of this act, for use by the Attorney General or designee in performing the duties imposed by this act.

SECTION 5. This act shall become effective July 1, 1999.

SECTION 6. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

47-1-5619 KB 6/12/15