

Regular Session, 2011

HOUSE BILL NO. 107

BY REPRESENTATIVES TALBOT, BILLIOT, CONNICK, HENRY, LABRUZZO, LIGI,  
LOPINTO, TEMPLET, AND WILLMOTT AND SENATORS APPEL, MARTINY,  
MORRELL, AND QUINN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE/SELF: Defines certain activity toward a self-insured governmental entity  
with a self-insured loss fund or risk pool as a fraudulent insurance act

1 AN ACT

2 To amend and reenact R.S. 22:1923(introductory paragraph) and to enact R.S. 22:1923(1)(j),  
3 relative to fraudulent insurance acts; to define certain activity toward a self-insured  
4 governmental entity that maintains a self-insured loss fund or risk pool as such an  
5 act; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:1923(introductory paragraph) is hereby amended and reenacted  
8 and R.S. 22:1923(1)(j) is hereby enacted to read as follows:

9 §1923. Definitions

10 As used in this Part, the following terms shall have the meanings indicated  
11 ~~herein:~~ in this Section:

12 (1) "Fraudulent insurance act" shall include but not be limited to acts or  
13 omissions committed by any person who, knowingly and with intent to defraud:

14 \* \* \*

15 (j) Presents, causes to be presented, or prepares with the knowledge or belief  
16 that it will be presented to a self-insured governmental entity any oral or written  
17 statement which he knows to contain materially false information as part of, in  
18 support of, denial of, or concerning any fact material to or conceals any information  
19 concerning any fact material to any claim for payment under such self-insured

1 governmental entity's loss fund or risk pool. For the purposes of this Subparagraph,  
2 "self-insured governmental entity" shall mean any agency of the state, political  
3 subdivision of the state, or agency thereof, or consortium of governmental entities  
4 that maintain a self-insured loss fund or risk pool.

5 \* \* \*

6 Section 2. This Act shall become effective upon signature by the governor or, if not  
7 signed by the governor, upon expiration of the time for bills to become law without signature  
8 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
9 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
10 effective on the day following such approval.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Talbot

HB No. 107

**Abstract:** Defines certain activity toward a self-insured governmental entity that maintains a self-insured loss fund or risk pool as a fraudulent insurance act.

Present law defines certain acts or omissions committed knowingly with intent to defraud as fraudulent insurance acts. Makes such an act or omission a felony, subject to a term of imprisonment, with or without hard labor, not to exceed five years or a fine not to exceed \$5,000, or both, on each count. Also requires payment of restitution to the victim company of any insurance payments to the defendant that the court determines was not owed and the costs incurred by the victim company associated with the evaluation and defense of the fraudulent claim, including but not limited to the investigative costs, attorney fees, and court costs. Provides, however, that if the benefit pursued does not exceed \$1,000, the term of imprisonment shall not exceed six months, or the fine shall not exceed \$1,000, or both, on each count. Further specifies that the criminal provisions of present law shall be investigated, enforced, or prosecuted only by the proper law enforcement and prosecutorial agencies.

Proposed law additionally defines as a fraudulent insurance act the act of presenting, causing to be presented, or preparing with the knowledge or belief that it will be presented to a self-insured governmental entity any oral or written statement which a person knows to contain materially false information as part of, in support of, denial of, or concerning any fact material to or conceals any information concerning any fact material to any claim for payment under such self-insured governmental agency's loss fund or risk pool. Defines a "self-insured governmental entity" as any agency of the state, political subdivision of the state, or agency thereof, or consortium of governmental entities that maintain a self-insured loss fund or risk pool.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 22:1923(intro. para.);  
Adds R.S. 22:1923(1)(j))