

Regular Session, 2012

SENATE BILL NO. 251

BY SENATOR MORRISH

INSURANCE CLAIMS. Creates the Louisiana Insurance Fraud Prevention Act. (8/1/12)

1 AN ACT

2 To enact Part II-A of Chapter 7 of Title 22 of the Louisiana Revised Statutes of 1950, to be
3 comprised of R.S. 22:1931 through 1942, relative to insurance fraud; to provide
4 definitions; to prohibit insurance fraud; to provide for civil actions and monetary
5 penalties; to provide with respect to civil investigative demand and deposition; and
6 to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Part II-A of Chapter 7 of Title 22 of the Louisiana Revised Statutes of
9 1950, comprised of R.S. 22:1931 through 1942 is hereby enacted to read as follows:

10 **PART II-A. LOUISIANA INSURANCE FRAUD PREVENTION ACT**

11 **§1931. Legislative findings**

12 **The legislature finds that to protect the health, safety, and welfare of the**
13 **citizens of this state, the attorney general of Louisiana and his assistants shall**
14 **be agents of this state with the ability, authority, and resources to pursue civil**
15 **monetary penalties, liquidated damages, or other remedies to protect the**
16 **integrity of the insurance industry from persons who engage in fraud,**
17 **misrepresentation, abuse, or other illegal practices, as further provided in this**

1 Part, in order to obtain payments to which these insurance providers or persons
2 are not entitled.

3 §1932. Definitions

4 As used in this Part the following terms shall have the following
5 meanings unless a different meaning is clearly required by context:

6 (1) "Administrative adjudication" means adjudication and the
7 adjudication process contained in the Administrative Procedure Act, R.S.
8 49:950 et seq.

9 (2) "Agent" means a person who is employed by or has a contractual
10 relationship with another person or who acts on behalf of that person.

11 (3) "Attorney general" means the party authorized to institute a
12 proceeding or take other authorized action as provided in this Part.

13 (4) "Billing" or "bill" means submitting, or attempting to submit, a
14 claim for goods, services, or supplies.

15 (5) "Billing agent" means an agent of a person who performs any or all
16 of the person's billing functions.

17 (6) "Claim" includes any request or demand, including any and all
18 documents or information required by federal or state law or rule submitted to
19 an insurer for payment. "Claim" may also include any entry or omission in a
20 cost report or similar document, book of account, or any other document which
21 supports, or attempts to support, the claim. A claim may be made through
22 paper or electronic means. Each provided service may be treated as a separate
23 claim or several services may be combined to form one claim.

24 (7) "Department" means the department of insurance.

25 (8) "False or fraudulent claim" means a claim submitted by a person or
26 his billing agent knowing the claim to be false, fictitious, untrue, or misleading
27 in regard to any material information. "False or fraudulent claim" shall also
28 include a claim which is part of a pattern of incorrect submissions in regard to
29 material information or which is otherwise part of a pattern in violation of

1 applicable federal or state law or rule.

2 (9) "Good, service, or supply" means any good, item, device, supply, or
3 service for which a claim is made, or is attempted to be made, in whole or in
4 part.

5 (10) "Illegal remuneration" means the solicitation, receipt, offer, or
6 payment of any remuneration, including but not limited to kickbacks, bribes,
7 and rebates, whether in cash or in kind, for the following:

8 (a) In return for referring an individual to a healthcare provider, or for
9 referring an individual to another person for the purpose of referring an
10 individual to a healthcare provider, or for the furnishing or arranging to
11 furnish any good, supply, or service for which payment may be made, in whole
12 or in part, under an insurance plan.

13 (b) In return for purchasing, leasing, or ordering, or for arranging for
14 or recommending purchasing, leasing, or ordering, any good, supply, or service,
15 or facility for which payment may be made, in whole or in part, under an
16 insurance plan.

17 (c) To a recipient of goods, services, or supplies, or his representative, for
18 which payment may be made, in whole or in part, under an insurance plan.

19 (11) "Ineligible member" means an individual who is not eligible to
20 receive insurance benefits under an insurance contract.

21 (12) "Insurer" means any person or other entity authorized to transact
22 and transacting insurance business in this state. Notwithstanding any contrary
23 provisions of R.S. 22:242(7) or any other law, regulation, or definition contained
24 in this Title, a health maintenance organization shall be deemed an insurer for
25 purposes of this Part.

26 (13) "Knowing" or "knowingly" means that the person has actual
27 knowledge of the falsity of the information or that the person acts in deliberate
28 ignorance or reckless disregard of the truth or falsity of the information.

29 (14) "Managing employee" means a person who exercises operational

1 or managerial control over, or who directly or indirectly conducts, the
2 day-to-day operations of a person. "Managing employee" shall include but is
3 not limited to a chief executive officer, president, general manager, business
4 manager, administrator, or director.

5 (15) "Member" means an individual who is eligible to receive insurance
6 benefits through an insurance contract.

7 (16) "Misrepresentation" means the knowing failure to truthfully or
8 fully disclose any and all information required, or the concealment of any and
9 all information required, on a claim or a provider agreement, or the making of
10 a false or misleading statement to the department relative to an insurance
11 program.

12 (17) "Order" means a final order imposed pursuant to an
13 administrative, civil, or criminal adjudication.

14 (18) "Ownership interest" means the possession, directly or indirectly,
15 of equity in the capital or the stock, or the right to share in the profits, of an
16 entity.

17 (19) "Payment" means the payment to a person from an insurer
18 pursuant to a claim, or the attempt to seek payment for a claim.

19 (20) "Person" means any person furnishing or claiming to furnish a
20 good, service, or supply who is compensated by insurance proceeds as well as
21 any other entity defined as a person by federal or state law or rule and a person-
22 in-fact.

23 (21) "Person-in-fact" means an agent who directly or indirectly
24 participates in management decisions, has an ownership interest in the person,
25 or other persons defined as a person-in-fact by federal or state law or rule.

26 (22) "P.O.S.T.-certified" means peace officer standards and training
27 certified as established by the Louisiana Peace Officer Standards and Training
28 Council.

29 (23) "Property" means any and all property, movable and immovable,

1 corporeal and incorporeal.

2 (24) "Provider agreement" means a document required as a condition
3 of enrollment or participation as a person in an insurance program.

4 (25) "Recoupment" means recovery through the reduction, in whole or
5 in part, of payment to a person.

6 (26) "Recovery" means the recovery of attempted benefits pursued,
7 overpayments, damages, fines, penalties, costs, expenses, restitution, attorney
8 fees, interest, or settlement amounts.

9 (27) "Rule" means any rule or regulation promulgated by the
10 department in accordance with the Administrative Procedure Act and any
11 federal rule or regulation promulgated by the federal government in accordance
12 with federal law.

13 (28) "Sanction" shall include but is not limited to any or all of the
14 following:

15 (1) Recoupment.

16 (2) Posting of bond, other security, or a combination thereof.

17 (3) Exclusion as a person.

18 (4) A monetary penalty.

19 §1933. False or fraudulent claim; misrepresentation; prescription

20 A. No person shall knowingly present or cause to be presented a false or
21 fraudulent claim or violate any provision of R.S.22:1924.

22 B. Each violation of this Part may be treated as a separate violation or
23 may be combined into one violation at the option of the attorney general.

24 C. No action brought pursuant to this Part shall be instituted later than
25 ten years after the date upon which the alleged violation occurred. For
26 violations involving a scheme or course of conduct, no action pursuant to this
27 Part shall be instituted more than ten years after the latest event formula
28 component of the scheme or course of conduct.

29 D. To the extent that the conduct giving rise to the cause of action

1 involves the provision of services, supplies, merchandise, or benefits of a
2 medical assistance program administered by the Louisiana Department of
3 Health and Hospitals, including any medical assistance programs administered
4 by the state pursuant to 42 U.S.C. 1396 et. seq., the provisions of this Part shall
5 not apply.

6 §1934. Civil actions authorized

7 A. The attorney general may institute a civil action in the courts of this
8 state to seek recovery from any person or persons who violate the provisions of
9 this Part.

10 B. An action by a prevailing defendant to recover costs, expenses, fees,
11 and attorney fees shall be ancillary to and shall be brought and heard in the
12 same court as the civil action brought pursuant to the provisions of Subsection
13 A of this Section.

14 C. (1) A prevailing defendant may seek recovery only for costs, expenses,
15 fees, and attorney fees if the court finds, following a contradictory hearing, that
16 either of the following applies:

17 (a) The action was instituted by the attorney general pursuant to
18 Subsection A of this Section after it should have been determined by the
19 attorney general to be frivolous, vexatious, or brought primarily for the purpose
20 of harassment.

21 (b) The attorney general proceeded with an action properly instituted
22 pursuant to Subsection A of this Section after it should have been determined
23 by the attorney general that proceeding would be frivolous, vexatious, or for the
24 purpose of harassment.

25 (2) Recovery awarded to a prevailing defendant shall be awarded only
26 for those reasonable, necessary, and proper costs, expenses, fees, and attorney
27 fees actually incurred by the prevailing defendant.

28 D. An action by a prevailing defendant to recover costs, expenses, fees,
29 and attorney fees may be brought no later than sixty days after the rendering

1 of a final nonappealable judgment.

2 §1935. Burden of proof; prima facie evidence; standard of review

3 A. The burden of proof in an action instituted pursuant to this Part shall
4 be a preponderance of the evidence, except that the defendant shall carry the
5 burden of proving that goods, services, or supplies were actually provided to an
6 eligible recipient in the quantity and quality submitted on a claim. In all other
7 aspects, the burden of proof shall be as set forth in the Code of Civil Procedure
8 and other applicable laws.

9 B. Proof by a preponderance of the evidence of a false or fraudulent
10 claim or illegal remuneration shall be deemed to exist under the following
11 circumstances:

12 (1) If the defendant has pled guilty to, been convicted of, or entered a
13 plea of nolo contendere to, or participated in a pre-trial diversion program for
14 a criminal charge in any federal or state court when such charge arises out of
15 circumstances which would be a violation of this Part.

16 (2) If an order has been rendered against a defendant finding the
17 defendant to have violated this Part.

18 C.(1) The submission of a certified or true copy of an order, civil
19 judgment, or criminal conviction or plea shall be prima facie evidence of the
20 same.

21 (2) The submission of the bill of information or of the indictment and the
22 minutes of the court shall be prima facie evidence as to the circumstances
23 underlying a criminal conviction or plea.

24 D.(1) In determining whether a pattern of incorrect submissions exists
25 in regard to an alleged false or fraudulent claim, the court shall give
26 consideration to the materiality of the total amount of the incorrect submissions
27 by a person in relation to the total claims submitted by the person.

28 (2) "Material" or "materiality" as used in this Subsection shall have the
29 same meaning as defined by rules and regulations promulgated by the attorney

1 general in accordance with the Administrative Procedure Act which incorporate
2 the definition of "material" or "materiality" recognized by the American
3 Institute of Certified Public Accountants.

4 §1936. Civil monetary penalty

5 A. In a civil action instituted in the courts of this state pursuant to the
6 provisions of this Part, the attorney general may seek a civil monetary penalty
7 provided in R.S. 22:1934 from any of the following:

8 (1) Any person sanctioned by order pursuant to an administrative
9 adjudication.

10 (2) Any person determined by a court of competent jurisdiction to have
11 violated any provision of this Part.

12 (3) Any person who has violated a settlement agreement entered into
13 pursuant to this Part.

14 (4) A person who has been charged with a violation of R.S. 22:1924.

15 (5) A person who has been found liable in a civil action filed in federal
16 court pursuant to 18 U.S.C. 1347 et seq., or 42 U.S.C. 1320a-7(b).

17 (6) A person who has entered a plea of guilty or nolo contendere to or
18 has participated in a pre-trial diversion program for, or has been convicted in
19 federal or state court of criminal conduct arising out of circumstances which
20 would constitute a violation of this Part.

21 B.(1) If a person is sanctioned by order pursuant to an administrative
22 adjudication and if judicial review of the order is sought, a civil suit may be
23 filed for imposition and recovery of the civil monetary penalty during the
24 pendency of such judicial review. The reviewing court may consolidate both
25 actions and hear them concurrently.

26 (2) If judicial review of an order is sought, the attorney general shall file
27 the action for recovery of the civil monetary penalty within one year of service
28 of the petition seeking judicial review of the order.

29 (3) If no judicial review of an order is sought, the attorney general may

1 file the action for recovery of the civil monetary penalty within one year of the
2 date of the order.

3 (4) Any action brought pursuant to the provisions of this Part shall be
4 filed in the Nineteenth Judicial District Court for the parish of East Baton
5 Rouge.

6 C. In the instance of a state criminal action, the action for recovery of
7 the civil monetary penalty shall be brought within one year of the date of the
8 criminal conviction or final plea.

9 D.(1) In the case of a civil judgment rendered in federal court, the action
10 for recovery of the civil monetary penalty may be brought once the judgment
11 becomes enforceable and no later than one year after written notification to the
12 attorney general of the enforceable judgment.

13 (2) In the case of a criminal conviction or plea in federal court, the
14 action pursuant to this Section may be brought once the conviction or plea is
15 final and no later than one year after written notification to the attorney general
16 of the rendering of the conviction or final plea.

17 (3) Any action brought under the provisions of this Subsection shall be
18 filed in the Nineteenth Judicial District Court for the parish of East Baton
19 Rouge.

20 E. If an action is brought pursuant to this Part, the request for the
21 imposition of a civil monetary penalty shall only be considered if made part of
22 the original or amended petition either through a bill of information or through
23 a motion filed by the attorney general's office.

24 §1937. Recovery

25 A.(1) Actual damages incurred as a result of a violation of the provisions
26 of this Part shall be recovered only once by the insurer and shall not be waived
27 by the court.

28 (2) Except as provided in Paragraph (3) of this Subsection, actual
29 damages shall equal the difference between the amount the insurer paid or

1 would have paid and the amount that should have been paid had not a violation
2 of this Part occurred, plus interest at the maximum rate of legal interest
3 provided by R.S. 13:4202, from the date the damage occurred to the date of
4 repayment. Actual damages shall include investigative expenses incurred by the
5 insurer.

6 (3) If the violator is a managed care healthcare provider contracted with
7 a health insurer, actual damages shall be determined in accordance with the
8 violator's provider agreement.

9 B. Civil fine. (1) Any person who is found to have violated R.S. 22:1924
10 or 1933 shall be subject to a civil fine in an amount not to exceed ten thousand
11 dollars per violation, or an amount equal to three times the value of the illegal
12 remuneration, whichever is greater.

13 (2) Except as limited by this Section, any person who is found to have
14 violated R.S. 22:1924 or 1933 shall be subject to a civil fine in an amount not to
15 exceed three times the amount of actual damages sustained by the insurer as a
16 result of the violation.

17 C. Civil monetary penalty. (1) In addition to the actual damages
18 provided in Subsection A of this Section and any civil fine imposed pursuant to
19 Subsection B of this Section, one or more of the following civil monetary
20 penalties shall be imposed on the violator:

21 (a) Not less than five thousand dollars but not more than ten thousand
22 dollars for each false or fraudulent claim, misrepresentation, illegal
23 remuneration, or other prohibited act provided in R.S. 22:1924 or 1933.

24 (b) Payment of interest on the amount of the civil fine imposed pursuant
25 to Subsection B of this Section at the maximum rate of legal interest provided
26 by R.S. 13:4202 from the date the damage occurred to the date of repayment.

27 (2) Prior to the imposition of a civil monetary penalty, the court may
28 consider whether extenuating circumstances exist as provided in R.S. 22:1938.

29 D. Costs, expenses, fees and attorney fees. (1) Any person who is found

1 to have violated this Part shall be liable for all costs, expenses, and fees related
2 to investigations and proceedings associated with the violation, including
3 attorney fees.

4 (2) All awards of costs, expenses, fees, and attorney fees are subject to
5 review by the court using a reasonable, necessary, and proper standard of
6 review.

7 (3) The attorney general shall promptly remit awards for those costs,
8 expenses, and fees incurred by the parties involved in the investigations or
9 proceedings to the appropriate party.

10 §1938. Waiver; extenuating circumstances

11 If a waiver is requested by the attorney general, the court may waive any
12 recovery, except for actual damages, required to be imposed pursuant to the
13 provisions of this Part provided all of the following extenuating circumstances
14 are found to be applicable:

15 (1) The violator furnished all the information known to him about the
16 specific allegation to the department or attorney general no later than thirty
17 days after the violator first obtained the information.

18 (2) The violator cooperated fully with all federal or state investigations
19 concerning the specific allegation.

20 (3) At the time the violator furnished the information concerning the
21 specific allegation to the department or the attorney general, no criminal, civil,
22 or departmental investigation or proceeding had been commenced as to the
23 alleged violation.

24 §1939. Deposit of monies collected

25 Sixty percent of all monies collected pursuant to this Part shall be
26 dedicated to and deposited into the Insurance Fraud Investigation Fund
27 pursuant to R.S. 40:1428(C). The remaining forty percent recovered shall be
28 dedicated to the attorney general's office.

29 §1940. Civil investigative demand

1 **A. If the attorney general has information, evidence, or reason to believe**
2 **that any person or entity may be in possession, custody, or control of any**
3 **documentary material or information relevant to an investigation for a possible**
4 **violation of this Part, he or any of his assistants may issue to the person or entity**
5 **a civil investigative demand before the commencement of a civil proceeding to**
6 **require the production of the documentary material for inspection or copying**
7 **or reproduction, or the answering under oath and in writing of interrogatories.**
8 **Any civil investigative demand issued pursuant to this Part shall state a general**
9 **description of the subject matter being investigated and the applicable**
10 **provisions of law constituting the alleged violation of this Part. A civil**
11 **investigative demand for the production of documentary material shall describe**
12 **each class of documentary material to be produced with such definiteness and**
13 **certainty as to permit such material to be fairly identified. A civil investigative**
14 **demand for answers to written interrogatories shall set forth with specificity the**
15 **written interrogatories to be answered. Each investigative demand shall set a**
16 **return date of no earlier than twenty days after service of the demand upon the**
17 **person or his representative or agent.**

18 **B. A civil investigative demand issued pursuant to this Part may be**
19 **served by the sheriff or a P.O.S.T.-certified investigator employed by the**
20 **attorney general or by the office of state police when the demand is issued to a**
21 **resident or domestic business entity found in this state. A civil investigative**
22 **demand issued to non-resident or a foreign business entity may be served using**
23 **long-arm jurisdiction as provided for in the Louisiana Code of Civil Procedure.**

24 **C. Upon failure to comply with the civil investigative demand, the**
25 **attorney general may apply to the district court having jurisdiction over the**
26 **person to compel compliance with the civil investigative demand.**

27 **D. Except as otherwise provided in this Section, no documentary**
28 **material, answers to interrogatories, or copies thereof, while in the possession**
29 **of the attorney general or any other agency assisting the attorney general with**

1 the matter under investigation, shall be available for examination by any person
2 or entity except as determined by the attorney general and subject to any
3 conditions imposed by him for effective enforcement of the laws of this state.
4 Nothing in this Section shall be construed to prohibit or limit the attorney
5 general from sharing any documentary material, answers to interrogatories, or
6 copies thereof with the United States government or with any other state
7 government, or any federal or state agency, or any person or entity that may be
8 assisting in the investigation or prosecution of the subject matter of the civil
9 investigative demand.

10 E. The attorney general may use documentary material derived from
11 information obtained pursuant to this Section, or copies of that material, as the
12 attorney general determines necessary for the enforcement of the laws of this
13 state, including presentation before a court.

14 F. If any documentary material has been produced by any person or
15 entity in the course of any investigation pursuant to a civil investigative demand
16 and any case or proceeding before the court or grand jury arising out of such
17 investigation, or any proceeding before any state agency involving such material
18 has been completed, or no case or proceeding in which such material may be
19 used has been commenced within a reasonable time after analysis of all
20 documentary material and other information assembled in the course of the
21 investigation, the attorney general, upon written request of the person or entity
22 who produced the material, shall return to such person or entity any such
23 material which has not passed into the control of any court, grand jury, or
24 agency through introduction into the record of such case or proceeding.

25 G. "Documentary material" as used in this Section shall include but is
26 not limited to all electronically-stored information including writings, drawings,
27 graphs, charts, photographs, sound recordings, images, and other data or data
28 compilations that would be subject to a request for production under Federal
29 Rule of Civil Procedure 34 as it exists now or is hereafter amended.

1 **§1941. Investigative deposition**

2 **A. When the attorney general has information, evidence, or reason to**
3 **believe that a violation of this Part has occurred, the attorney general may issue**
4 **an investigative subpoena for deposition testimony to any person or entity that**
5 **may have information or knowledge relevant to the matter under investigation,**
6 **or for the purpose of revealing, identifying, or explaining documentary material**
7 **or other physical evidence sought under R.S. 22:1940. Such investigative**
8 **subpoena shall contain a general description of the matter under investigation**
9 **and a notice informing the prospective deponent of his right to counsel at the**
10 **deposition with opportunity for cross-examination. Such deposition shall be**
11 **conducted at the principal place of business of the deponent, at his place of**
12 **residence, at his domicile, or, if agreeable to the deponent, at some other place**
13 **convenient to the attorney general and the lawful and designated attorney**
14 **representative of the deponent. Such deposition shall be held at a date no earlier**
15 **than seven days after the date on which demand is received, unless the attorney**
16 **general or an assistant attorney general designated by the attorney general**
17 **determines that exceptional circumstances are present which warrant the**
18 **commencement of such testimony within a lesser period of time.**

19 **B. An investigative subpoena issued pursuant to this Part may be served**
20 **by the sheriff or a P.O.S.T.-certified investigator employed by the attorney**
21 **general or by the office of state police when the demand is issued to a resident**
22 **or domestic business entity found in this state. An investigative subpoena issued**
23 **to non-resident or a foreign business entity may be served using long-arm**
24 **jurisdiction as provided for in the Louisiana Code of Civil Procedure.**

25 **C. When the investigative subpoena is issued to a business entity, the**
26 **entity shall designate one or more officers, directors, or managing agents, and**
27 **may set forth, for each person designated, the matters on which he will testify.**
28 **The persons so designated shall testify as to matters known or reasonably**
29 **available to the organization.**

1 D. Upon failure to comply with the investigative subpoena, the attorney
2 general may apply to the district court having jurisdiction over the person to
3 compel compliance with the investigative subpoena. Failure to comply with a
4 court order is punishable by contempt.

5 §1942. Asset forfeiture

6 A. In accordance with the provisions of Subsection B of this Section, the
7 court may order the forfeiture of property to satisfy recovery under the
8 following circumstances:

9 (1) The court may order a person from whom recovery is due to forfeit
10 property which constitutes or was derived directly or indirectly from gross
11 proceeds traceable to the violation which forms the basis for the recovery.

12 (2) If the attorney general shows that property was transferred to a
13 third party to avoid paying of recovery, or in an attempt to protect the property
14 from forfeiture, the court may order the third party to forfeit the transferred
15 property.

16 B. Prior to the forfeiture of property, a contradictory hearing shall be
17 held during which the attorney general shall prove by clear and convincing
18 evidence that the property in question is subject to forfeiture pursuant to
19 Subsection A of this Section. No such contradictory hearing shall be required
20 if the owner of the property in question agrees to the forfeiture.

21 C. If property is transferred to another person within six months prior
22 to the occurrence or after the occurrence of the violation for which recovery is
23 due or within six months prior to or after the institution of a criminal, civil, or
24 departmental investigation or proceeding, it shall be prima facie evidence that
25 the transfer was intended to avoid paying recovery or was an attempt to protect
26 the property from forfeiture.

27 D. The healthcare provider or other person from whom recovery is due
28 shall have an affirmative duty to fully disclose all property and liabilities and
29 all transfers of property which meet the criteria of Subsection C of this Section

1 **to the court and the attorney general.**

2 Section 2. The provisions of this Act shall be effective August 1, 2012, and shall be
3 null and void and have no effect on August 1, 2014. Except as provided in this Act, there
4 shall be no reduction or recalculation in the Insurance Fraud Investigation Fund assessment
5 as provided in R.S. 40:1428.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Cheryl Horne.

DIGEST

Morrish (SB 251)

Creates the Louisiana Insurance Fraud Prevention Act.

Effective August 1, 2012.

(Adds R.S. 22:1931–1942)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Insurance to the original bill

1. Deletes the detailed list of specific acts constituting false or fraudulent claims or misrepresentations.
2. Specifies that proposed law does not apply to programs administered by the La. Department of Health and Hospitals.
3. Dedicates 60% of monies collected pursuant to proposed law to the Insurance Fraud Investigation Fund. Provides that the remaining 40% shall be dedicated to the attorney general's office.
4. Makes proposed law effective from August 1, 2012 to August 1, 2014.