

1 **SENATE FLOOR VERSION**

2 February 4, 2016

3 SENATE BILL NO. 1012

4 By: Brown

5 An Act relating to insurance fraud; amending 36 O.S.
6 2011, Section 361, as amended by Section 4, Chapter
7 235, O.S.L. 2012 (36 O.S. Supp. 2015, Section 361),
8 which relates to Anti-Fraud Unit; modifying certain
9 investigative and prosecutorial authority; and
10 providing an effective date.

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

12 SECTION 1. AMENDATORY 36 O.S. 2011, Section 361, as
13 amended by Section 4, Chapter 235, O.S.L. 2012 (36 O.S. Supp. 2015,
14 Section 361), is amended to read as follows:

15 Section 361. A. There is hereby created within the Insurance
16 Department, under the control and direction of the Insurance
17 Commissioner, an "Anti-Fraud Unit" within the Legal and
18 Investigation Division of the Insurance Department.

19 B. Violations of any statute or administrative rule of this
20 state pertaining to suspected insurance fraud or pertaining to any
21 insurance product ~~or, insurance organization that has been used as~~
22 ~~an instrument of criminal activity,~~ or licensee under the regulation
23 or authority of the Commissioner may be investigated by the Anti-
24 Fraud Unit. Whenever the Unit determines that a violation of any
criminal law of this state may have occurred, it may refer the

1 matter to the Oklahoma State Bureau of Investigation for further
2 investigation pursuant to Section 150.5 of Title 74 of the Oklahoma
3 Statutes or the Attorney General pursuant to Section 18b of Title 74
4 of the Oklahoma Statutes. The Insurance Department shall retain the
5 authority to initiate and prosecute any administrative or civil
6 action it deems necessary or advisable.

7 C. The Anti-Fraud Unit may employ investigators who may be
8 commissioned by the Insurance Commissioner to serve as peace
9 officers, as defined by and pursuant to the guidelines and
10 requirements of Section 3311 of Title 70 of the Oklahoma Statutes
11 and Sections 99 and 99a of Title 21 of the Oklahoma Statutes.

12 D. Records, documents, reports and evidence obtained or created
13 by the Anti-Fraud Unit as a result of an inquiry or investigation of
14 any suspected insurance related crime shall be confidential and
15 shall not be subject to the Oklahoma Open Records Act or to outside
16 review or release by any individual. Information and records shall
17 be disclosed upon request to officers and agents of federal, state,
18 county, or municipal law enforcement agencies, to the Oklahoma State
19 Bureau of Investigation, to the Attorney General's office and to
20 district attorneys, in the furtherance of criminal investigations.

21 SECTION 2. This act shall become effective November 1, 2016.

22 COMMITTEE REPORT BY: COMMITTEE ON INSURANCE
23 February 4, 2016 - DO PASS

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