



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
Second Regular Session

House: COM DPA 10-0-0-0

HB 2205: fraud unit; investigations; annual report

Sponsor: Representative Livingston, LD 28

Caucus & COW

Overview

Directs the Department of Insurance and Financial Institutions' (DIFI) fraud unit to submit an annual report relating to fraudulent practices and exempts monies appropriated to the fraud unit from lapsing.

History

DIFI's fraud unit investigates acts or practices of fraud including determining if fraud, deceit or intentional misrepresentation exists in the submission of an insurance claim. DIFI annually levies an assessment of up to \$1,050 on all licensed insurers for the administration and operation of the fraud unit and the prosecution of insurance fraud. Assessment monies are deposited into the state General Fund to be appropriated to the fraud unit exclusively for the fraud unit's operation ([A.R.S. § 20-466](#)).

Provisions

1. Directs the fraud unit, on or before March 1 of each year, to prepare a report that provides all of the following with respect to the previous year:
 - a) the number of referrals of potential fraud received from the fraud unit;
 - b) the number of civil and criminal cases filed against suspected perpetrators of fraud;
 - c) a summary of criminal prosecutions related to fraud; and
 - d) the total amount of monies recovered for victims of fraud. (Sec 1)
2. Specifies the fraud unit must submit the report to the Governor and Legislature and send a copy to the Secretary of State. (Sec. 1)
3. Exempts monies that are appropriated to the fraud unit from lapsing. (Sec 1)

Amendments

Committee on Commerce

1. Removes the requirement for the fraud unit to submit an annual report.

Prop 105 (45 votes)

Prop 108 (40 votes)

Emergency (40 votes)

Fiscal Note