



Romney Building, 10th Floor
Lansing, Michigan 48909
Phone: 517/373-6466

INSURANCE FRAUD TASK FORCE

House Bill 5758

Sponsor: Rep. Michael J. Griffin

Committee: Insurance

Complete to 5-18-98

A SUMMARY OF HOUSE BILL 5758 AS INTRODUCED 4-23-98

The bill would amend the Insurance Code to establish an insurance fraud task force to report to the governor and legislature on its findings and recommendations by January 1, 2001. The bill's provisions would be repealed on that date.

The task force would be made up of the insurance commissioner or a designee; the state police director or a designee; the attorney general or a designee; four representatives appointed by the governor: one representative of a city, village, or township police department; one from a county sheriff's department; one from a United States criminal investigative department or agency; and one representative of a prosecuting authority of a city, village, township, county, or state; and six insurance representatives appointed by the insurance commissioner representing large, medium, and small property, casualty, and disability insurers. The governor's and commissioner's appointments would have to be made by January 1, 1999.

The task force would be required to investigate the issue of organized insurance fraud and methods to combat organized insurance fraud; examine ways to unite the resources of the insurance industry with the appropriate components of federal and state criminal justice systems so that organized insurance fraud schemes are identified and thoroughly investigated, and the perpetrators are prosecuted in the best interest of justice; and examine the concept of creating a private agency to assist in combating organized insurance fraud and ways to fund the agency.

MCL 500.4513

Analyst: C. Couch

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