

STATE OF UTAH

Fund Information

FINET Name: (INS) Insurance Fraud Investigation Account

FINET Fund: 1427

Legal Name: Insurance Fraud Investigation Restricted Account

Legal Authorization: UCA 31A-31-108

Earns Interest: Yes No **Earns Interest Authority:**

Revenue Source(s):

1) assessments to insurers, 2) civil penalties

Description:

HB 19 (2011 GS) Creates 3 new restricted accounts within the General Fund, including this account. The Insurance Fraud Investigation Restricted Account will be funded by assessments to insurers and civil penalties. Upon appropriation, the department may expend money for the purpose of the account. Appropriations from this account and the Relative Value Study Restricted Account, also created by the bill, are nonlapsing. The bill also increases the cap on the Captive Insurance Restricted Account (#1423) from \$600,000 to \$950,000, effective July 1, 2013, and increases the assessments deposited into the Title Licensee Enforcement Restricted Account (#1424). Unspent dedicated credits at FY11 yearend will be deposited into the new restricted accounts.

HB 29 (2012 GS) Modifies the Insurance Code to make various changes related to the regulation of insurance. Increases assessments paid by insurers to fund costs and expenses incurred by the Department of Insurance in the administration, investigation, and enforcement of provisions related to insurance fraud (Fund #1427).

HB 47 (2013 GS) Modifies the Insurance Code. Increases the cap on money received for deposit in the Captive Insurance Restricted Account (#1423) effective July 1, 2015. (Increases cap from \$950,000 to \$1,250,000.) Creates the Insurance Fraud Victim Restitution Fund, a restricted special revenue fund. The fund shall consist of money paid as court-ordered restitution to victims of insurance fraud (prior to this bill the restitution was deposited into Fund 1427, Insurance Fraud Restricted Account). Provides that the commissioner shall administer the Insurance Fraud Victim Restitution fund for the sole benefit of insurance fraud victims.

Fund Balance History:

<u>Fund</u>	<u>Year</u>	<u>Beg Balance</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Transfers</u>	<u>End Balance</u>
1427	2011	\$0	\$0	\$0	\$266,356	\$266,356
1427	2012	\$266,356	\$2,027,997	\$0	(\$1,984,500)	\$309,853
1427	2013	\$309,853	\$2,551,593	\$0	(\$2,732,400)	\$129,046