

DOCUMENT FRAUD

2007 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Karen W. Morgan

Senate Sponsor: Lyle W. Hillyard

LONG TITLE

General Description:

This bill prohibits a person from knowingly, intentionally, or recklessly forging, counterfeiting, altering, or falsely making or providing a document that unlawfully establishes legal status.

Highlighted Provisions:

This bill:

▶ prohibits a person or entity from forging, counterfeiting, altering, or falsely making or providing a document to unlawfully establish legal status and subjects a violator to a civil penalty ~~Ⓢ~~ → [of not less than \$50,000] up to \$75,000 ← Ⓢ ;

▶ provides that the Office of the Attorney General may bring a civil action ~~H~~ → [on behalf of the Department of Workforce Services] ← H against an individual who makes or provides a fraudulent document to unlawfully establish legal status; and

▶ provides that money collected in the civil action by the Office of the Attorney General shall be deposited in the Attorney General Litigation Fund to be used for costs incurred in bringing these civil actions.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

H.B. 131



28 AMENDS:

29 76-10-922, as last amended by Chapters 256 and 328, Laws of Utah 2002

30 ENACTS:

31 35A-1-504, Utah Code Annotated 1953



33 *Be it enacted by the Legislature of the state of Utah:*

34 Section 1. Section 35A-1-504 is enacted to read:

35 **35A-1-504. Document fraud -- Penalties.**

36 (1) As used in this section, "intentionally, knowingly, and recklessly" means the same
37 as those terms are defined in Section 76-2-103.

38 (2) A person or entity may not knowingly, intentionally, or recklessly forge,
39 counterfeit, alter, or falsely make or provide a document listed in 8 C.F.R. 274a.2(b)(1)(v) for
40 the purpose of unlawfully establishing legal status.

41 (3) (a) A person or entity that violates Subsection (2) is subject to a civil penalty ~~of not~~
42 less than \$50,000 up to \$75,000 ~~←\$~~ recoverable, with attorney fees and costs, in a civil action that
43a may be

43 brought by the Office of the Attorney General ~~→~~ [on behalf of the Department of Workforce
44 Services] ~~←~~ for each document subject to the violation.

45 (b) Moneys collected under Subsection (3)(a) shall be deposited in the Attorney
46 General Litigation Fund created in Section 76-10-922 to be ~~→~~ first applied to any actual civil
47a damages incurred by an individual victim of the actions prohibited by this section and then
48b shall be ~~←~~ used for costs incurred for actions
49 brought under this section.

48 (4) The penalties in this section are in addition to, and not in lieu of, the penalties in
49 Title 76, Chapter 6, Part 5, Fraud, and Part 11, Identity Fraud Act.

50 Section 2. Section 76-10-922 is amended to read:

51 **76-10-922. Attorney General Litigation Fund.**

52 (1) (a) (i) There is created a special revenue fund known as the Attorney General
53 Litigation Fund for the purpose of providing funds to pay for any costs and expenses incurred
54 by the state attorney general in relation to actions under state or federal antitrust, document
55 fraud, or criminal laws.

56 (ii) These funds are in addition to other funds as may be appropriated by the
57 Legislature to the attorney general for the administration and enforcement of the laws of this
58 state.

59 (b) At the close of any fiscal year, any balance in the fund in excess of [\$2,000,000]
60 \$3,000,000 shall be transferred to the General Fund.

61 (c) The attorney general may expend monies from the Attorney General Litigation
62 Fund for the purposes in Subsection (1)(a).

63 (2) (a) All monies received by the state or its agencies by reason of any judgment,
64 settlement, or compromise as the result of any action commenced, investigated, or prosecuted
65 by the attorney general, after payment of any fines, restitution, payments, costs, or fees
66 allocated by the court, shall be deposited in the Attorney General Litigation Fund, except as
67 provided in Subsection (2)(b).

68 (b) (i) Any expenses advanced by the attorney general in any of the actions under
69 Subsection (1)(a) shall be credited to the Attorney General Litigation Fund.

70 (ii) Any monies recovered by the attorney general on behalf of any private person or
71 public body other than the state shall be paid to those persons or bodies from funds remaining
72 after payment of expenses under Subsection (2)(b)(i).

73 [~~3~~] ~~The Division of Finance shall transfer any monies remaining in the Antitrust~~
74 ~~Revolving Account on July 1, 2002, to the Attorney General Litigation Fund created in~~
75 ~~Subsection (1).]~~

Legislative Review Note
as of 1-15-07 3:32 PM

Office of Legislative Research and General Counsel

H.B. 131 - Document Fraud

Fiscal Note

2007 General Session
State of Utah

State Impact

To implement provisions of this bill, it is estimated that the Attorney General's Office will require an on-going appropriation from the General Fund of \$381,600 for additional attorneys, investigators and related costs. In addition, there will be a one-time need in FY 2008 of \$14,000 for start-up costs and equipment. Depending on the situation, it is possible that to be able to fully enforce provisions of this legislation, additional resources will be required. While the bill provides for funds collected from any civil action pursued shall go to the Attorney General Litigation Fund, there is some doubt as to how significant those collections might be.

	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2007</u> <u>Revenue</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>
General Fund	\$0	\$381,600	\$381,600	\$0	\$0	\$0
General Fund, One-Time	\$0	\$14,000	\$0	\$0	\$0	\$0
Total	\$0	\$395,600	\$381,600	\$0	\$0	\$0

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.