

## Committee on Criminal Justice

### **CS/HB 515 — Public Assistance Fraud**

by Appropriations Committee; and Rep. Smith and others (SB 1084 by Criminal Justice Committee)

The bill makes it a third degree felony if the value of the public assistance fraud or identification wrongfully received, retained, misappropriated, sought, or used is of an aggregate value of \$200 or more *but less than \$20,000* in any 12 consecutive months.

The bill creates s. 414.39(5)(c) and (d), F.S., which:

- Makes it a second degree felony if the value of the public assistance or identification wrongfully received, retained, misappropriated, sought, or used is of an aggregate value of *\$20,000 or more, but less than \$100,000* in any 12 consecutive months.
- Makes it a first degree felony if the value of the public assistance or identification wrongfully received, retained, misappropriated, sought, or used is of an aggregate value of *\$100,000 or more* in any 12 consecutive months.

The bill requires the Department of Children and Families (DCF) or the director of DCF's Office of Public Benefits Integrity, to pay a reward to a person who furnishes and reports original information relating to a violation of the state's public assistance fraud laws, unless the person declines the reward. The information and report must:

- Be made to the Department of Children and Families, the Department of Financial Services, or the Florida Department of Law Enforcement;
- Relate to criminal fraud upon public assistance program funds or a criminal violation of public assistance fraud laws by another person; and
- Lead to the recovery of a fine, penalty, or forfeiture of property.

The reward requirement is subject to availability of funds and may not exceed 10 percent of the amount recovered or \$500,000, whichever is less, in a single case. The reward must be paid from the state share of the recovery in the Federal Grants Trust Fund from moneys collected pursuant to s. 414.41, F.S. The bill specifies that a person who receives a reward is not eligible to receive funds pursuant to the Florida False Claims Act for Medicaid fraud for which the reward was received. The bill amends s. 414.095(14), F.S., to add two additional prohibitions and restrictions. The first prohibition limits the out-of-state use of temporary cash assistance (TCA) benefits to 30 consecutive days and requires termination of the TCA benefits if used out-of-state for more than 30 days. The bill directs DCF to adopt rules providing for the determination of temporary absence and a recipient's intent to return to the state.

The second prohibition requires a parent or caretaker relative who has been disqualified due to fraud to have a protective payee designated to receive the TCA benefits for an eligible child. The requirements for designation of a protective payee are the same as provided in s. 414.065(2)(b), F.S. The bill specifies that an individual disqualified for fraud cannot be designated as a

protective payee and in a two-parent household, if only one parent is disqualified, the other parent may be designated as the payee of the benefit.

If approved by the Governor, these provisions take effect October 1, 2014.

*Vote: Senate 31-7; House 79-38*