

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

(Corrected Copy)

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: May 25, 2001

SUBJECT: Fiscal Impact Statement: “Insurance Fraud Prevention and Detection Amendment Act of 2001”

REFERENCE: Draft Legislation – Bill Number Not Available ([B 14-236](#))

Conclusion

Funds are sufficient in the FY 2001 budget and the proposed FY 2002 through FY 2005 budget and financial plan because no additional staff or resources will be required. The proposed legislation will have no impact on General Fund revenue.

Background

The proposed legislation is a procedural statute that amends the existing District of Columbia Theft and White Collar Crimes Act of 1982 by adding a new section to increase the authority of the Department of Insurance and Securities Regulation (DISR). The proposed legislation provides the Commissioner of DISR with limited law enforcement authority to subpoena witnesses and compel the production of documents. Additionally, the proposed legislation also requires insurers and Health Maintenance Organizations to file an annual report on insurance fraud activities in the District of Columbia.

Financial Plan Impact

Because this legislation institutes an internal policy change that has no material impact on the cost of services provided by the District of Columbia and has no effect on General Fund revenue, the proposed legislation has no fiscal impact.