

**Government of the District of Columbia  
Office of the Chief Financial Officer**

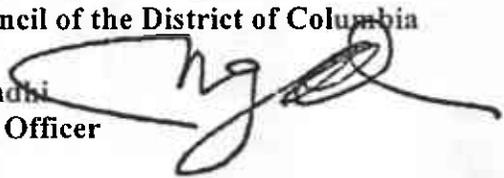


**Natwar M. Gandhi**  
Chief Financial Officer

RECEIVED  
2005 APR 15 AM 9:47  
CHIEF FINANCIAL OFFICER

**MEMORANDUM**

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

**FROM:** Natwar M. Gandhi  
Chief Financial Officer 

**DATE:** APR 14 2005

**SUBJECT:** Fiscal Impact Statement: "White Collar Insurance Fraud  
Prosecution Enhancement Amendment Act of 2005"

**REFERENCE:** Draft Legislation – Bill Number Not Available

---

**Conclusion**

Funds are sufficient in the FY 2005 and the Mayor's proposed FY 2006 through FY 2009 budget and financial plan to implement the proposed legislation because no additional staff or resources would be required.

**Background**

The proposed legislation would create a new criminal offense by prohibiting a person from seeking to obtain benefits falsely or fraudulently under an insurance contract. The bill also would differentiate the amount of fines and/or imprisonment for first and second degree insurance fraud based, in part, on the value of the property obtained or attempted to be obtained through the fraudulent activity.

**Financial Plan Impact**

Funds are sufficient in the FY 2005 and the Mayor's proposed FY 2006 through FY 2009 budget and financial plan to implement the proposed legislation because no additional staff or resources will be required. The Department of Insurance, Securities and Banking Regulation has sufficient budgetary authority to implement the proposed legislation. The proposed legislation would provide prosecutors an additional way to enforce insurance fraud violations, but would not require any additional staff or resources.