

Department of Planning and Budget 2014 Fiscal Impact Statement

1. **Bill Number:** SB660

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. **Patron:** Edwards

3. **Committee:** General Laws and Technology

4. **Title:** Office of the Attorney General; Virginia Fraud Against Taxpayers Act; funds recovered.

5. **Summary:** Authorizes the Division of Debt Collection in the Office of the Attorney General to pursue claims and recoveries owed to the Commonwealth under the Fraud Against Taxpayers Act (FATA). Under the bill, the Division is authorized to retain as special revenue up to 30 percent of the funds recovered. The bill excludes investigations, litigation, or recoveries related to matters handled under the authority granted to the Medicaid Fraud Control Unit of the Office of the Attorney General pursuant to the provisions of federal regulations.

6. **Budget Amendment Necessary:** No.

7. **Fiscal Impact Estimates:** See Item 8.

8. **Fiscal Implications:** Fiscally, this bill has no negative impact on the Office of the Attorney General (OAG) and it potentially benefits the Commonwealth with recoveries under the Fraud Against Taxpayers Act (FATA). The bill is likely to benefit the OAG budget, which currently funds half the salary and benefits of the Assistant Attorney General hired to coordinate non-MFCU FATA cases. This bill sets up an organizational scheme similar to the structure established by the Medicaid Fraud Control Unit (MFCU).

If the bill is enacted, the Division of Debt Collection (DDC) will assume the full costs for this position as well as all other resources needed to accomplish the statutory mandate. The 2014-2016 introduced budget for the DDC includes \$205,298 in nongeneral funds and two nongeneral fund positions for fiscal years 2015 and 2016 to enlarge the agency to include FATA recoveries other than the MFCU recoveries.

9. **Specific Agency or Political Subdivisions Affected:** Office of the Attorney General and Department of Law and Division of Debt Collection.

10. **Technical Amendment Necessary:** No.

11. Other Comments: None.