

Department of Planning and Budget 2013 Fiscal Impact Statement

1. Bill Number: HB1845

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Loupassi

3. Committee: General Laws

4. Title: Fraud and Abuse Whistle Blower Reward Fund; amount of reward; duties of the Office of the State Inspector General

5. Summary: Fraud and Abuse Whistle Blower Reward Fund; amount of reward; duties of the Office of the State Inspector General (OSIG). Reduces the requirement for an award from the Fraud and Abuse Whistle Blower Reward Fund from \$10,000 to \$5,000 and expands the purposes for which the Fund may be used to include supporting the administration of the Fund, defraying Fund advertising costs, and subsidizing the operation of the Fraud, Waste and Abuse Hotline, all of which expenditure is capped at five percent of the Fund. The bill also (i) authorizes the OSIG to split a reward among multiple whistle blowers reporting the same qualifying incident of wrongdoing or abuse, (ii) requires that by the end of each calendar quarter 85 percent of all sums recovered shall be deposited into the general fund, (iii) requires the OSIG to submit an annual report to the General Assembly summarizing the activities of the Fund, and (vi) changes the name of the State Employee Fraud, Waste and Abuse Hotline to the Fraud, Waste and Abuse Hotline. The bill also contains technical amendments.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: No Fiscal Impact

8. Fiscal Implications: This bill changes the terms of what can be done with funds recovered in waste, fraud and abuse cases by the Office of the State Inspector General (OSIG). A portion of the funds collected will go towards paying for the cost of operating the hotline. Since the changes deal only with how recovered funds are handled this does not create a fiscal impact.

9. Specific Agency or Political Subdivisions Affected: OSIG

10. Technical Amendment Necessary: No

11. Other Comments: The introduced budget (HB1500) includes new language in Central Appropriations, Item 469.D.8 that authorizes the Governor *“to provide for payment of monetary rewards to persons who have disclosed information of wrongdoing or abuse under the Fraud and Abuse Whistle Blower Protection Act.”* This language does not conflict with

the bill since it would allow payment in cases where funds are not recovered but where fraud or wrongdoing is proven.