DIGEST

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HB 281 Engrossed

2023 Regular Session

Garofalo

Abstract: Adds to the purposes of the La. Automobile Theft and Insurance Fraud Prevention Authority (LATIFPA) and changes the composition of its board of directors.

<u>Present law</u> creates a public agency to be known as the La. Automobile Theft and Insurance Fraud Prevention Authority.

<u>Present law</u> provides that the purpose of La. Automobile Theft and Insurance Fraud Prevention Authority is to combat vehicle insurance fraud, including fraud by theft and other criminal acts.

<u>Proposed law</u> retains <u>present law</u> and expands the purpose of the organization by enumerating the following, whether committed by or on behalf of a claimant, insured, or insurer:

- (1) Motor vehicle insurance fraud, including fraud by theft and other criminal acts.
- (2) Property insurance fraud.
- (3) Workers compensation fraud.
- (4) Health insurance and healthcare fraud.
- (5) Other forms of fraud affecting the business of insurance.

<u>Present law</u> provides that the board of director's consists of the commissioner of insurance, the state treasurer, a representative of the Louisiana State Police Insurance Fraud and Auto Theft unit, the chairs of the Senate and House committee's on insurance, and six members appointed by the commissioner of insurance.

<u>Present law</u> provides that the commissioner of insurance shall select and appoint four members to the board of directors: two members representing purchasers of motor vehicle insurance in this state, and two members representing motor vehicle insurers doing business in this state.

<u>Proposed law</u> changes the commissioner's appointments to the following:

- (1) One member representing purchasers of motor vehicle insurance in this state.
- (2) One member representing motor vehicle insurers doing business in this state.

- (3) One member representing insurance adjusters.
- (4) One member representing public insurance adjusters.

(Amends R.S. 22:2132(A) and (C))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

- 1. Clarify the individuals who the La. Automobile Theft and Insurance Fraud Prevention Authority can monitor to combat fraud.
- 2. Make technical changes.