

By Senator Burt

16-2368-02

1                                   A bill to be entitled  
2           An act relating to fraud prevention; creating  
3           the Fraud Prevention Unit within the Office of  
4           the Attorney General to improve and coordinate  
5           the state's response to fraud and related  
6           crimes; requiring the Fraud Prevention Unit to  
7           establish a Statewide Complaint Receipt and  
8           Referral Center to collect, refer, and analyze  
9           information concerning fraud; specifying goals  
10          of the center; specifying responsibilities of  
11          the Fraud Prevention Unit; providing  
12          requirements for projects supported by the  
13          Fraud Prevention Unit; requiring the unit to  
14          develop public information programs and  
15          establish recommended training curricula;  
16          authorizing the Attorney General to use  
17          volunteers; providing that volunteers are  
18          exempt from liability under the Florida  
19          Volunteer Protection Act; requiring the Fraud  
20          Prevention Unit to coordinate its  
21          investigations with other law enforcement  
22          agencies and victim-assistance programs;  
23          requiring the unit to use services of the  
24          Federal Trade Commission; requiring that the  
25          unit avoid duplicating services but communicate  
26          the availability of those services; requiring  
27          that the Fraud Prevention Unit be developed and  
28          operated using existing resources; providing  
29          for the use of donated funds and resources;  
30          authorizing state agencies and local businesses  
31          to assign employees to assist the unit;

1 authorizing the unit to assist victims in  
2 correcting credit reports or other identifying  
3 information; prohibiting the unit from  
4 providing legal representation to victims of  
5 fraud; providing an effective date.  
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7 Be It Enacted by the Legislature of the State of Florida:  
8

9 Section 1. Fraud prevention.--

10 (1) There is created within the Office of the Attorney  
11 General the Fraud Prevention Unit. The mission of the unit is  
12 to improve this state's response to fraud and crimes related  
13 to fraud using cooperative efforts between state agencies,  
14 businesses in the private sector, and private citizen  
15 volunteers.

16 (2)(a) The Fraud Prevention Unit shall establish  
17 within the Department of Agriculture and Consumer Services,  
18 another state agency, or a designated private entity, as  
19 appropriate, a Statewide Complaint Receipt and Referral Center  
20 to which victims of fraud may immediately turn in order to  
21 obtain information and general assistance in dealing with a  
22 crime. The center shall serve as an easily-accessed, single  
23 point of contact for consumers who are, or suspect that they  
24 may be, victims of fraud, and shall bridge the gap between the  
25 public, state agencies, consumer organizations, and private  
26 businesses. The center shall establish an effective program  
27 for collecting, referring, and analyzing information and data  
28 concerning fraud. The center shall focus on the goals of:

29 1. Prevention, which includes the "real-time"  
30 education of consumers, businesses, and law enforcement  
31 agencies;

1           2. Reporting, which includes "real-time" information  
2 regarding victims of fraud and persons suspected of committing  
3 fraud; and

4           3. Restoration, which includes, if necessary,  
5 returning the victim's credit and name to their original  
6 status.

7           (b) The center shall properly collect, track, analyze,  
8 and disseminate data concerning complaints in order to better  
9 address short-term enforcement concerns and long-term strategy  
10 requirements. The center shall:

11           1. Provide a statewide methodology to manage complaint  
12 information from consumers, regulatory and enforcement  
13 agencies, affected businesses in the private sector, and  
14 consumer-support organizations;

15           2. Identify related complaints;

16           3. Collect, analyze, and produce accurate data  
17 concerning the scope of fraud;

18           4. Develop and implement timely prevention and  
19 education programs to reduce victimization by fraud, as well  
20 as to provide important response strategies to those who have  
21 discovered that they are victims of fraud; and

22           5. Share complaint information and fraud data among  
23 investigations in the public and private sector in a timely  
24 manner.

25           (3) In meeting its mission, the responsibilities of  
26 the Fraud Prevention Unit include, but are not limited to:

27           (a) Creating an effective public and private  
28 partnership to cooperatively address criminal fraud within the  
29 state as it affects individual citizens and businesses. The  
30 public and private partnership shall include professionals in  
31 the fields of communications, financial services, insurance,

1 information management, law, marketing, technology, retail  
2 sales, government, and law enforcement.

3 (b) Providing timely and effective information to the  
4 public and to businesses in this state regarding the types of  
5 fraud that may be perpetrated upon them and the efforts that  
6 can be taken to lower the possibility of becoming a victim of  
7 such fraud.

8 (c) Providing information to the public and businesses  
9 and encouraging the use of new and innovative refinements for  
10 fraud prevention in this state, including the use of Internet  
11 resources to facilitate access to government and  
12 private-sector programs designed to assist fraud victims.

13 (d) Furthering the goal of a statewide  
14 fraud-prevention network by supporting the initiation or  
15 expansion of statewide and local efforts in crime prevention,  
16 awareness, and education.

17 (e) Supporting the development of a coordinated  
18 service network, including the exchange of information and  
19 case referral between programs such as local victim and  
20 witness assistance programs, state and local programs  
21 providing services to the elderly, or any other established  
22 and recognizable local programs devoted to decreasing the  
23 crime of fraud and reducing its impact upon victims.

24 (f) Promoting a greater awareness of fraud and  
25 encouraging a cooperative response to fraud by state and local  
26 law enforcement officers and prosecutors, private security  
27 officers, and business representatives.

28 (g) Strengthening and expanding options for  
29 communication to victims of fraud in order to assist them in  
30 detecting the extent of the fraud perpetrated against them,  
31 assist them during the investigation and prosecution of the

1 criminal fraud, and assist them in recouping losses from fraud  
2 and managing the consequences of such fraud.

3 (h) Providing general support and assistance for fraud  
4 victims during their actual involvement with the criminal  
5 justice system during the investigation of fraud as a crime  
6 and the prosecution of those who perpetrate the fraud.

7 (i) Providing information or sources of information of  
8 value to victims as they cope with ramifications of criminal  
9 fraud, including, but not limited to, reestablishing credit  
10 ratings and credit damaged or destroyed by reason of identity  
11 theft or other fraud and theft.

12 (j) Assisting in the identification and effective  
13 delivery of training and awareness programs related to fraud  
14 detection, investigation, prevention, and consequence  
15 management.

16 (4) With respect to the initiation or expansion of  
17 local crime-prevention efforts, projects supported by the  
18 Fraud Prevention Unit shall, consistent with available  
19 resources:

20 (a) Use suitable and effective outreach and  
21 educational techniques in order to raise the awareness of the  
22 public to potential fraud, to efforts that can be taken to  
23 avoid becoming a victim of fraud, and to the responses to be  
24 taken when fraudulent activity is believed to have occurred;

25 (b) Develop and deliver crime-prevention information  
26 to the elderly regarding fraud, theft, grand theft, and  
27 burglary;

28 (c) Develop programs to provide literature on  
29 training, information, and prevention to law enforcement  
30 officers, elderly care custodians, health practitioners, and  
31

1 social service providers regarding fraud perpetrated upon the  
2 elderly as well as other segments of the state's population;

3 (d) In cooperation with the Criminal Justice Standards  
4 and Training Commission, establish recommended curricula for  
5 training law enforcement officers in detecting, investigating,  
6 and preventing fraud and provide recommendations for the role  
7 of law enforcement officers in assisting victims of fraud to  
8 recover stolen property, address identity theft, reestablish  
9 credit ratings damaged or destroyed by reason of fraud, and  
10 otherwise respond to the impact of fraud;

11 (e) Review educational and intervention programs in  
12 preventing fraud in order to determine a program's potential  
13 application and value in addressing various types of fraud  
14 perpetrated upon the public and maximize the availability of  
15 effective programs to law enforcement agencies and persons  
16 dealing with fraud and its impact; and

17 (f) Establish programs devoted to fraud prevention  
18 through establishing partnership initiatives using volunteers  
19 and the support of private businesses.

20 (5) Any initiative or program funded under this  
21 section must demonstrate an ongoing effectiveness in assisting  
22 the Office of the Attorney General in implementing the mission  
23 defined in this section.

24 (6) The Attorney General may employ personnel as  
25 necessary and to the extent funding is available in order to  
26 ensure that the Fraud Prevention Unit meets the mission  
27 defined by this section. The Attorney General may use  
28 volunteers to assist the unit and these volunteers are covered  
29 by the provisions of section 768.1355, Florida Statutes.

30 (7) In meeting its mission, the Fraud Prevention Unit  
31 shall design its efforts to focus primarily on organized,

1 multijurisdictional fraud; violations of section 775.0844,  
2 Florida Statutes, the White Collar Crime Victim Protection  
3 Act; or other types of fraud that involve large numbers of  
4 real or potential victims. The Fraud Prevention Unit shall, to  
5 the greatest extent possible, coordinate its efforts related  
6 to investigations with the Department of Law Enforcement and  
7 its efforts related to prosecutions of multijurisdictional  
8 fraud with the Office of Statewide Prosecution. However, this  
9 section does not prohibit the referral of any cases developed  
10 by, through, or with the assistance of the unit to any  
11 appropriate investigative or prosecutorial entity. The unit  
12 shall, to the greatest extent possible, coordinate its efforts  
13 related to assisting fraud victims with the victims'  
14 assistance programs and units presently established within or  
15 coordinated by the Office of the Attorney General, other state  
16 agencies, the various victims' advocates within the state  
17 attorneys' offices, and victim-support entities within the  
18 federal government and private sector.

19 (8) The Fraud Prevention Unit shall use and promote  
20 the services of the Federal Trade Commission, including, but  
21 not limited to, the commission's toll-free phone services and  
22 capabilities for Internet access, when such services are  
23 relevant to addressing the perpetration of fraud against the  
24 public and the state's businesses. The unit shall avoid  
25 duplicating services that are provided by other entities, but  
26 shall assure that the availability of such services is clearly  
27 communicated to those seeking the unit's assistance.

28 (9) The Fraud Prevention Unit shall be developed and  
29 operated using existing resources within the Office of the  
30 Attorney General and funds and resources donated to the Office  
31 of the Attorney General by businesses and others which are

1 specifically designated for use by the unit. Funds received by  
2 the unit may not be used to fund positions for investigators  
3 or law enforcement officers within law enforcement agencies or  
4 positions for prosecutors within the Office of Statewide  
5 Prosecution or the state attorneys' offices. Any state or  
6 local agency may temporarily assign an employee to the unit to  
7 assist in its staffing or operations. A private business may  
8 temporarily assign its employees to work with the unit;  
9 however, any employee so assigned remains at all times an  
10 employee of the private business. The Attorney General may use  
11 volunteers to assist in the operations of the unit.

12 (10) Upon a request by a victim of fraud or similar  
13 crime which is within the scope of the mission of the Fraud  
14 Prevention Unit, the unit may assist the victim in obtaining  
15 information necessary to correct inaccuracies or errors in the  
16 victim's credit report or other identifying information.  
17 However, the unit may not provide legal representation to a  
18 victim of fraud.

19 Section 2. This act shall take effect July 1, 2002.

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22 SENATE SUMMARY

23 Creates the Fraud Prevention Unit within the Office of  
24 the Attorney General. Requires that the Fraud Prevention  
25 Unit establish a Statewide Complaint Receipt and Referral  
26 Center. Specifies duties of the center and the Fraud  
27 Prevention Unit. Authorizes the use of volunteers.  
28 Requires that the Fraud Prevention Unit coordinate its  
29 investigations with other law enforcement agencies and  
30 victim-assistance programs. Requires that the Office of  
31 the Attorney General use existing resources in developing  
and operating the Fraud Prevention Unit. Authorizes the  
use of donated funds and resources. Prohibits the unit  
from providing legal representation to victims of fraud.  
(See bill for details.)