

By the Committee on Commerce, Economic Opportunities, and
Consumer Services; and Senators Villalobos and Fasano

310-2482-03

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; providing
27 for the use of donated funds and resources;
28 authorizing state agencies and local businesses
29 to assign employees to assist the unit;
30 authorizing the unit to assist victims in
31 correcting credit reports or other identifying

1 information; prohibiting the unit from
2 providing legal representation to victims of
3 fraud; providing an effective date.
4

5 Be It Enacted by the Legislature of the State of Florida:
6

7 Section 1. Fraud prevention.--

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

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

25 1. Prevention, which includes the education of
26 consumers, businesses, and law enforcement agencies.

27 2. Reporting, which includes information regarding
28 victims of fraud and persons suspected of committing fraud.

29 3. Restoration, which includes, if necessary,
30 returning the victim's credit and name to their original
31 status.

1 (b) The center shall properly collect, track, analyze,
2 and disseminate data concerning complaints in order to better
3 address short-term enforcement concerns and long-term strategy
4 requirements. The center shall:

5 1. Provide a statewide methodology to manage complaint
6 information from consumers, regulatory and enforcement
7 agencies, affected businesses in the private sector, and
8 consumer support organizations.

9 2. Identify related complaints.

10 3. Collect, analyze, and produce accurate data
11 concerning the scope of fraud.

12 4. Develop and implement timely prevention and
13 education programs to reduce victimization by fraud, as well
14 as to provide important response strategies to those who have
15 discovered that they are victims of fraud.

16 5. Share complaint information and fraud data among
17 persons involved in investigations in the public and private
18 sector in a timely manner.

19 (3) In meeting its mission, the responsibilities of
20 the Fraud Prevention Unit shall include, but are not limited
21 to:

22 (a) Creating an effective public and private
23 partnership to cooperatively address criminal fraud within the
24 state as it affects individual citizens and businesses. The
25 public and private partnership shall include professionals in
26 the fields of communications, financial services, insurance,
27 information management, law, marketing, technology, retail
28 sales, government, and law enforcement.

29 (b) Providing timely and effective information to the
30 public and to businesses in this state regarding the types of
31 fraud that may be perpetrated upon them and the efforts that

1 may be taken to lessen the possibility of becoming a victim of
2 such fraud.

3 (c) Providing information to the public and businesses
4 and encouraging the use of new and innovative refinements for
5 fraud prevention in this state, including the use of Internet
6 resources to facilitate access to government and private
7 sector programs designed to assist fraud victims.

8 (d) Furthering the goal of a statewide fraud
9 prevention network by supporting the initiation or expansion
10 of statewide and local efforts with regard to crime
11 prevention, awareness, and education.

12 (e) Supporting the development of a coordinated
13 service network, including the exchange of information and
14 referral of cases between programs such as local victim and
15 witness assistance programs, state and local programs
16 providing services to the elderly, or any other established
17 and recognizable local program devoted to decreasing the crime
18 of fraud and reducing its impact upon victims.

19 (f) Promoting a greater awareness of fraud and
20 encouraging a cooperative response to fraud by state and local
21 law enforcement officers and prosecutors, private security
22 officers, and business representatives.

23 (g) Strengthening and expanding options for
24 communication to victims of fraud in order to assist them in
25 determining the extent of the fraud perpetrated against them,
26 assist them during the investigation and prosecution of the
27 criminal fraud, and assist them in recouping losses from fraud
28 and managing the consequences of such fraud.

29 (h) Providing general support and assistance for fraud
30 victims while they are involved with the criminal justice
31

1 system during the investigation of fraud as a crime and the
2 prosecution of those who perpetrated the fraud.

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

8 (j) Assisting in the identification and effective
9 delivery of training and awareness programs related to fraud
10 detection, investigation, prevention, and consequence
11 management.

12 (4) With respect to the initiation or expansion of
13 local crime prevention efforts, projects supported by the
14 Fraud Prevention Unit shall, consistent with available
15 resources:

16 (a) Use suitable and effective outreach and
17 educational techniques in order to raise the awareness of the
18 public with regard to potential fraud, efforts that can be
19 made to avoid becoming a victim of fraud, and ways to respond
20 when fraudulent activity is believed to have occurred.

21 (b) Develop and deliver crime prevention information
22 to the elderly regarding fraud, theft, grand theft, and
23 burglary.

24 (c) Develop programs to provide literature on
25 training, information, and prevention to law enforcement
26 officers, caregivers for the elderly, health care
27 practitioners, and social service providers regarding fraud
28 perpetrated upon the elderly as well as other segments of the
29 state's population.

30 (d) In cooperation with the Criminal Justice Standards
31 and Training Commission, establish recommended curricula for

1 training law enforcement officers in detecting, investigating,
2 and preventing fraud and provide recommendations for the role
3 of law enforcement officers in assisting victims of fraud to
4 recover stolen property, address identity theft, reestablish
5 credit ratings damaged or destroyed by reason of fraud, and
6 otherwise respond to the impact of fraud.

7 (e) Review educational and intervention programs
8 designed to prevent fraud in order to determine a program's
9 potential application and value in addressing various types of
10 fraud perpetrated upon the public and maximize the
11 availability of effective programs to law enforcement agencies
12 and persons dealing with fraud and its impact.

13 (f) Establish programs devoted to fraud prevention
14 through establishing partnership initiatives using volunteers
15 and the support of private businesses.

16 (5) Any initiative or program funded under this
17 section must demonstrate ongoing effectiveness in assisting
18 the Office of the Attorney General in implementing the mission
19 defined in this section.

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

26 (7) In meeting its mission, the Fraud Prevention Unit
27 shall design its efforts to focus primarily on organized,
28 multijurisdictional fraud; violations of section 775.0844,
29 Florida Statutes, the White Collar Crime Victim Protection
30 Act; or other types of fraud that involve large numbers of
31 real or potential victims. The Fraud Prevention Unit shall, to

1 the greatest extent possible, coordinate its efforts related
2 to investigations with the Department of Law Enforcement and
3 coordinate its efforts related to prosecutions of
4 multijurisdictional fraud with the Office of Statewide
5 Prosecution. However, this section does not prohibit the
6 referral of any cases developed by, through, or with the
7 assistance of the unit to any appropriate investigative or
8 prosecutorial entity. The unit shall, to the greatest extent
9 possible, coordinate its efforts related to assisting fraud
10 victims with the victim assistance programs and units
11 presently established within or coordinated by the Office of
12 the Attorney General, other state agencies, the various victim
13 advocates within the state attorneys' offices, and victim
14 support entities within the Federal Government and the private
15 sector.

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

25 (9) The Fraud Prevention Unit shall be developed and
26 operated using funds and resources donated to the Office of
27 the Attorney General by businesses and others that are
28 specifically designated for use by the unit. Funds received by
29 the unit shall be deposited into the Fraud Prevention Unit
30 Trust Fund and may be expended upon authorization by the
31 Legislature or the Legislative Budget Commission. Any state or

1 local agency may temporarily assign an employee to the unit to
2 assist in its staffing or operations. A private business may
3 temporarily assign its employees to work with the unit;
4 however, any employee so assigned remains at all times an
5 employee of the private business. The Attorney General may use
6 volunteers to assist in the operations of the unit.

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

14 Section 2. This act shall take effect July 1, 2004.

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16 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
17 COMMITTEE SUBSTITUTE FOR
18 Senate Bill 1530

19 The committee substitute differs from the original bill by:

- 20 1) removing the Attorney General's discretion to choose
21 where to locate the Statewide Complaint Receipt and
Referral Center;
- 22 2) removing the requirement that existing resources of the
23 Office of the Attorney General be used to operate the
Fraud Prevention Unit (FPU);
- 24 3) removing the prohibition against using funds received by
25 the FPU to fund positions for investigators, law
enforcement officers, or prosecutors;
- 26 4) designating a Fraud Prevention Unit Trust Fund, which has
27 not yet been created, to receive donated funds to the
unit; and
- 28 5) changing the effective date of the act from 2003 to 2004.