1 A bill to be entitled 2 An act relating to public assistance fraud; amending 3 s. 414.39, F.S.; revising the amount of a reward paid by the Department of Children and Families for 4 5 reporting a violation of public assistance fraud laws; 6 amending s. 414.41, F.S.; providing for the department 7 to hold certain recovered overpayments in the Federal 8 Grants Trust Fund; authorizing the department to 9 establish a financial statement reserve; providing 10 purposes for the reserve; requiring a report to the 11 Legislature; providing for use of reserve funds; 12 amending s. 943.045, F.S.; revising the definition of "criminal justice agency" for purposes of 13 14 investigating public assistance fraud; providing an effective date. 15 16 17 Be It Enacted by the Legislature of the State of Florida: 18 19 Section 1. Subsection (11) of section 414.39, Florida 20 Statutes, is amended to read: 21 414.39 Fraud.-Subject to availability of funds, the department 22 (11) (a) 23 or the director of the Office of Public Benefits Integrity 24 shall, unless the person declines the reward, pay a reward to a 25 person who furnishes and reports original information relating Page 1 of 4

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26 to a violation of the state's public assistance fraud laws if 27 the information and report: 28 1. Are made to the department, the Department of Financial 29 Services, or the Department of Law Enforcement. 30 2. Relate to criminal fraud upon public assistance program funds or a criminal violation of public assistance fraud laws by 31 32 another person. 33 3. Lead to the recovery of a fine, penalty, or forfeiture 34 of property. 35 (b) The reward may not exceed 10 percent of the amount 36 recovered in full by the department or \$500,000, whichever is 37 less, in a single case. The reward shall be paid from the state retained share 38 (C) of the recovered overpayments held recovery in the Federal 39 Grants Trust Fund from moneys collected pursuant to s. 414.41. 40 41 (d) A person who receives a reward pursuant to this 42 subsection is not eligible to receive funds pursuant to the 43 Florida False Claims Act for Medicaid fraud for which the reward 44 was received. 45 Section 2. Subsection (4) is added to section 414.41, 46 Florida Statutes, to read: 414.41 Recovery of payments made due to mistake or fraud.-47 48 (4) All collected state-retained share of recovered 49 overpayments shall be held in the Federal Grants Trust Fund from 50 which the department is authorized to establish a financial

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51	statement reserve.
52	(a) The financial statement reserve shall contain the
53	amount of the state-retained share of collections for a fiscal
54	year minus the operational costs associated with the
55	department's benefit recovery and front-end fraud detection and
56	prevention activities for that year.
57	(b) The purpose of the financial statement reserve is to
58	have funds available to pay public assistance fraud rewards as
59	required pursuant to s. 414.39(11) and to enable reinvestment of
60	funds to support strategies that will produce specific financial
61	outcomes, including, but not limited to, increased collections
62	under this section.
63	(c) Financial statement reserve funds shall be used to pay
64	public assistance fraud rewards and to fund public assistance
65	fraud detection and prevention initiatives that enable the
66	department to respond to and investigate emergent public
67	assistance fraud schemes and threats.
68	(d) By October 1 of each fiscal year, the department shall
69	submit a report to the President of the Senate and the Speaker
70	of the House of Representatives that includes:
71	1. The amount of funds in the financial statement reserve.
72	2. The number and amount of public assistance fraud
73	rewards paid during the previous fiscal year and an estimate of
74	the amount of public assistance fraud rewards to be paid during
75	the next fiscal year.

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76 3. A description of specific proposed projects to be 77 supported by the expenditure of such funds, including expected 78 outcomes of the proposed projects, and estimated return on 79 investment for the next fiscal year. 80 4. Actual outcomes and return on investment associated 81 with projects approved pursuant to paragraph (e). (e) 82 Upon authorization in the General Appropriations Act 83 or similar legislation and notwithstanding chapter 216, the department may use the reserve funds to pay public assistance 84 85 fraud rewards and to fund one or more of the specific projects 86 proposed in the report submitted pursuant to paragraph (d). 87 Section 3. Paragraph (d) of subsection (11) of section 943.045, Florida Statutes, is amended to read: 88 943.045 Definitions; ss. 943.045-943.08.-The following 89 90 words and phrases as used in ss. 943.045-943.08 shall have the following meanings: 91 "Criminal justice agency" means: 92 (11)93 The protective and fraud investigations components (d) 94 component of the Department of Children and Families, which 95 investigates the crimes of abuse and neglect and public 96 assistance fraud. 97 Section 4. This act shall take effect July 1, 2018.

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