

SESSION OF 2013

SUPPLEMENTAL NOTE ON SENATE BILL NO. 59

As Recommended by Senate Committee on
Judiciary

Brief*

SB 59 would authorize the Attorney General to pay a reward of up to \$5,000 to anyone who first provides information concerning a violation of the Medicaid Fraud Control Act, the False Claims Act, or any other law that protects the integrity of the public treasury. Payment would be made from the Medicaid Fraud Prosecution Revolving Fund, and the Attorney General would have discretion in determining whether to pay a reward, the exact amount of the payment, and whether the informant was eligible to receive the award.

No governmental employee would be eligible for the award, unless the information provided did not relate to the employee's responsibilities as a government employee. In paying the award, the Attorney General would be required to certify that the information was not previously known to the Attorney General and materially contributed to an investigation conducted by the Attorney General. Rewards could be paid only after entry of judgment in favor of the state or a conviction regarding the matter upon which the informant provided information.

The Attorney General would be directed to provide information to the public regarding the awards and would be given authority to promulgate rules and regulations to carry out the provisions of the bill.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Background

The bill was introduced by the Senate Judiciary Committee at the request of the Attorney General's Office. In the Senate Committee, a representative of the Attorney General testified in support of the bill. There was no opponent testimony.

The Division of the Budget's fiscal note on the bill indicates the Attorney General's Office estimates it would pay 20 rewards per year, with an average reward of \$2,500, totaling \$50,000. The Attorney General's Office also estimates revenues from recovery of funds would increase by \$162,800 per year thanks to increased referrals. Any fiscal effect associated with SB 59 is not reflected in *The FY 2014 Governor's Budget Report*.