

BILL ANALYSIS

Senate Research Center
78R10850 KCR-F

H.B. 1838
By: Thompson (Averitt)
Criminal Justice
5/22/2003
Engrossed

DIGEST AND PURPOSE

Section 35.02 of the Penal Code defines the penalties imposed for conviction of insurance fraud. However, it does not specify that a person convicted of insurance fraud must repay the insurer for any money or property fraudulently obtained. The courts may order restitution, but are not required to do so by law. Failure to receive restitution can result in significant losses for insurers. H.B. 1838 requires a court to order a defendant convicted of insurance fraud to pay restitution to an affected insurer.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 35.02, Penal Code, by adding Subsection (e) to require the court to order a defendant convicted of an offense under this section to pay restitution, including court costs and attorney's fees, to an affected insurer.

SECTION 2. (a) Effective date: September 1, 2003.

(b) Makes application of this Act prospective.