

## **BILL ANALYSIS**

S.B. 1627  
By: Carona  
Business & Industry  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Under current law, the maximum level of offense for an act of workers' compensation fraud is a state jail felony. This does not parallel the provisions of the Penal Code, which follow the standard ladder for committing insurance fraud or other similar financial crimes and in which punishment is dependant on the value of the claim.

S.B. 1627 amends the Labor Code to authorize a person who commits an offense of fraud under Chapter 418 (Criminal Penalties), Labor Code, to be prosecuted under that chapter or any other applicable state law.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

SECTION 1. Amends Chapter 418, Labor Code, by adding Section 418.003, as follows:

Sec. 418.003. ELECTION OF PROSECUTION. Authorizes a person who commits an offense under this chapter (Criminal Penalties) to be prosecuted under this chapter or any other state law under which the person may be prosecuted.

SECTION 2. Effective date: upon passage or September 1, 2007.

### **EFFECTIVE DATE**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.