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## FISCAL IMPACT REPORT

SPONSOR King DATE TYPED 2/9/2004 HB 446

SHORT TITLE Insurance Fraud Investigators' Powers SB \_\_\_\_\_

ANALYST Garcia

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
			(Minimal)	Recurring	Insurance Fraud Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
Public Regulation Commission

### SUMMARY

#### Synopsis of Bill

The bill amends Section 59A-16C-11 NMSA 1978 to repeal the language excluding insurance fraud investigators from carrying firearms. The fraud investigators are certified and commissioned peace officers.

#### Significant Issues

1) The PRC will have to consider and approve policies to govern the use of firearms by the investigators.

### FISCAL IMPLICATIONS

With the authorization of carrying firearms for fraud investigators, the purchase of needed equipment will be required. Approximately \$5 thousand for equipment will be needed. Additionally, \$1.2 thousand for annual training and range qualifications will be needed. The added impact will be from the Insurance Fraud Fund, a non-reverting fund. Lastly, the Insurance Fraud Bu-

reau's risk management insurance premium is set at the same rate as other law enforcement agencies.

**ADMINISTRATIVE IMPLICATIONS**

The Superintendent and the Insurance Division will need to keep track of the firearms certification of the investigators. This will likely have minimal administrative impact to the Division.

**POSSIBLE QUESTIONS**

How many conflicts have the fraud investigators faced which required a firearm in order to defend themselves adequately?

**DG/njw**