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SENATE BILL 306

**53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017**

INTRODUCED BY

John M. Sapien

AN ACT

RELATING TO INSURANCE FRAUD; ALLOWING THE AGGREGATION OF  
CERTAIN FALSE INSURANCE CLAIMS TO DETERMINE A PENALTY;  
PROVIDING THAT THE TIME LIMITATION FOR COMMENCING PROSECUTION  
BEGIN WHEN THE LAST VIOLATION IS COMMITTED; PROVIDING A  
KNOWLEDGE REQUIREMENT BEFORE A STATEMENT UNDER OATH CAN  
CONSTITUTE PERJURY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 59A-16-23 NMSA 1978 (being Laws 1984,  
Chapter 127, Section 290, as amended) is amended to read:

"59A-16-23. FALSE APPLICATIONS, CLAIMS, PROOFS OF LOSS.--

A. ~~[An agent]~~ A producer, broker, ~~[solicitor,~~  
~~examining physician]~~ health care professional, health care  
provider, applicant or other person shall not knowingly or  
willfully:

.206154.1

underscored material = new  
[bracketed material] = delete

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1 (1) make a false or fraudulent statement or  
2 representation as to a material fact in or with reference to an  
3 application for insurance or other coverage;

4 (2) for the purpose of obtaining money or  
5 benefit, present or cause to be presented a false or fraudulent  
6 claim or proof in support of such a claim for payment [~~of loss~~]  
7 under a policy of insurance;

8 (3) prepare, make or subscribe a false or  
9 fraudulent account, certificate, affidavit or proof of loss or  
10 other document with intent that the same may be presented or  
11 used in support of such a claim; or

12 (4) make a false or fraudulent statement or  
13 representation on or relative to an application for a policy of  
14 insurance for the purpose of obtaining a fee, commission or  
15 benefit from an insurer, [~~agent~~] producer, broker or  
16 individual.

17 B. A [~~false~~] statement or representation known to  
18 be false and made under oath shall constitute and be punishable  
19 as perjury.

20 C. A violation of the provisions of this section  
21 when the purported loss or potential loss to the victim insurer  
22 is:

23 (1) two hundred fifty dollars (\$250) or less  
24 is a petty misdemeanor;

25 (2) over two hundred fifty dollars (\$250) but

underscoring material = new  
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1 not more than five hundred dollars (\$500) is a misdemeanor;

2 (3) over five hundred dollars (\$500) but not  
3 more than two thousand five hundred dollars (\$2,500) is a  
4 fourth degree felony;

5 (4) over two thousand five hundred dollars  
6 (\$2,500) but not more than twenty thousand dollars (\$20,000) is  
7 a third degree felony; or

8 (5) over twenty thousand dollars (\$20,000) is  
9 a second degree felony.

10 D. If six or more violations of Paragraph (2) or  
11 (3) of Subsection A of this section occur within any  
12 consecutive eighteen-month period, the amounts of the purported  
13 or potential losses resulting from those violations may be  
14 aggregated to determine the penalty pursuant to Subsection C of  
15 this section and the time limitation for commencing prosecution  
16 pursuant to Section 30-1-8 NMSA 1978 shall begin when the last  
17 violation is committed."

18 SECTION 2. EFFECTIVE DATE.--The effective date of the  
19 provisions of this act is July 1, 2017.

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