

6052

2015-2016 Regular Sessions

I N S E N A T E

September 18, 2015

Introduced by Sen. SEWARD -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the volunteer ambulance workers' benefit law and the volunteer firefighters' benefit law, in relation to penalties for false representation and to repeal certain provisions of such laws relating thereto

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Section 55 of the volunteer ambulance workers' benefit law
2 is REPEALED and a new section 55 is added to read as follows:
3 S 55. FRAUDULENT PRACTICES. 1. ANY PERSON WHO, KNOWINGLY AND WITH
4 INTENT TO DEFRAUD PRESENTS, CAUSES TO BE PRESENTED, OR PREPARES WITH
5 KNOWLEDGE OR BELIEF THAT IT WILL BE PRESENTED TO OR BY AN INSURER OR
6 PURPORTED INSURER, OR ANY AGENT THEREOF, ANY WRITTEN STATEMENT AS PART
7 OF, OR IN SUPPORT OF, AN APPLICATION FOR THE ISSUANCE OF OR THE RATING
8 OF AN INSURANCE POLICY FOR COMPENSATION INSURANCE, OR A CLAIM FOR
9 PAYMENT OR OTHER BENEFIT PURSUANT TO A COMPENSATION POLICY WHICH HE OR
10 SHE KNOWS TO: (I) CONTAIN A FALSE STATEMENT OR REPRESENTATION CONCERNING
11 ANY FACT MATERIAL THERETO; OR (II) OMITS ANY FACT MATERIAL THERETO,
12 SHALL BE GUILTY OF A CLASS E FELONY. UPON CONVICTION, THE COURT IN ADDI-
13 TION TO ANY OTHER AUTHORIZED SENTENCE, MAY ORDER FORFEITURE OF ALL
14 RIGHTS TO COMPENSATION OR PAYMENTS OF ANY BENEFIT, AND MAY ALSO REQUIRE
15 RESTITUTION OF ANY AMOUNT RECEIVED AS A RESULT OF A VIOLATION OF THIS
16 SUBDIVISION.
17 2. AN EMPLOYER OR CARRIER, OR ANY EMPLOYEE, AGENT, OR PERSON ACTING ON
18 BEHALF OF AN EMPLOYER OR CARRIER, WHO KNOWINGLY MAKES A FALSE STATEMENT
19 OR REPRESENTATION AS TO A MATERIAL FACT IN THE COURSE OF REPORTING,
20 INVESTIGATION OF, OR ADJUSTING A CLAIM FOR ANY BENEFIT OR PAYMENT UNDER
21 THE WORKERS' COMPENSATION LAW FOR THE PURPOSE OF AVOIDING PROVISION OF
22 SUCH PAYMENT OR BENEFIT SHALL BE GUILTY OF A CLASS E FELONY.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 3. A PERSON WHO KNOWINGLY MAKES A FALSE STATEMENT OR REPRESENTATION AS
2 TO A MATERIAL FACT FOR THE PURPOSE OF OBTAINING, MAINTAINING OR RENEWING
3 INSURANCE UNDER THIS CHAPTER, WHETHER FOR HIMSELF OR HERSELF OR FOR ANY
4 OTHER PERSON OR ENTITY OR FOR THE PURPOSE OF EVADING THE REQUIREMENTS OF
5 SECTION FIFTY OF THIS CHAPTER SHALL BE GUILTY OF A CLASS E FELONY. IN
6 ADDITION TO ANY OTHER REMEDY, THE CARRIER PROVIDING INSURANCE SHALL BE
7 ENTITLED TO RESTITUTION OF ANY AMOUNT OBTAINED OR WITHHELD AS A RESULT
8 OF A VIOLATION OF THIS SUBDIVISION.

9 4. CONSISTENT WITH THE PROVISIONS OF THE CRIMINAL PROCEDURE LAW, IN
10 ANY PROSECUTION ALLEGING A VIOLATION OF SUBDIVISION ONE, TWO OR THREE OF
11 THIS SECTION, OR SECTIONS FIFTY-TWO AND ONE HUNDRED THIRTY-ONE OF THE
12 WORKERS' COMPENSATION LAW, IN WHICH THE ACT OR ACTS ALLEGED MAY ALSO
13 CONSTITUTE A VIOLATION OF THE PENAL OR OTHER LAW, THE PROSECUTING OFFI-
14 CIAL MAY CHARGE A PERSON PURSUANT TO THE PROVISIONS OF THIS SECTION AND
15 IN THE SAME ACCUSATORY INSTRUMENT WITH A VIOLATION OF SUCH OTHER LAW.

16 5. A PERSON (A) WHO IS CONVICTED OF A SECOND OR SUBSEQUENT OFFENSE
17 UNDER THIS SECTION WITHIN TEN YEARS OF THE PRIOR CONVICTION, OR (B) WHO
18 VIOLATES ANY PROVISION OF THIS SECTION CONCERNING TWO OR MORE CLAIMANTS,
19 SHALL BE GUILTY OF A CLASS D FELONY.

20 6. IF FOR THE PURPOSE OF OBTAINING COMPENSATION PURSUANT TO SECTION
21 FIFTEEN OF THE WORKERS' COMPENSATION LAW, OR FOR THE PURPOSE OF INFLU-
22 ENCING ANY DETERMINATION REGARDING ANY SUCH PAYMENT, A CLAIMANT KNOWING-
23 LY MAKES A FALSE STATEMENT OR REPRESENTATION AS TO A MATERIAL FACT, SUCH
24 PERSON SHALL BE DISQUALIFIED FROM RECEIVING ANY COMPENSATION DIRECTLY
25 ATTRIBUTABLE TO SUCH FALSE STATEMENT OR REPRESENTATION. IN ADDITION, AS
26 DETERMINED BY THE WORKERS' COMPENSATION BOARD, THE CLAIMANT SHALL BE
27 SUBJECT TO A DISQUALIFICATION OR AN ADDITIONAL PENALTY UP TO THE FOREGO-
28 ING AMOUNT DIRECTLY ATTRIBUTABLE TO THE FALSE STATEMENT OR REPRESENTATION.
29 ANY PENALTY MONIES SHALL BE PAID INTO THE STATE TREASURY.

30 7. IF WITH THE KNOWLEDGE OF A CLAIMANT, ANOTHER PERSON KNOWINGLY MAKES
31 A FALSE STATEMENT OR REPRESENTATION AS TO A MATERIAL FACT FOR THE
32 PURPOSE OF ASSISTING A CLAIMANT IN EITHER OBTAINING, OR INFLUENCING ANY
33 DETERMINATION REGARDING COMPENSATION PURSUANT TO SECTION FIFTEEN OF THE
34 WORKERS' COMPENSATION LAW, SUCH CLAIMANT MAY BE DISQUALIFIED FROM
35 RECEIVING ANY COMPENSATION DIRECTLY ATTRIBUTABLE TO SUCH FALSE STATEMENT
36 OR REPRESENTATION. IN ADDITION, AS DETERMINED BY THE WORKERS' COMPEN-
37 SATION BOARD, THE CLAIMANT MAY BE SUBJECT TO A DISQUALIFICATION OR AN
38 ADDITIONAL PENALTY UP TO THE FOREGOING AMOUNT DIRECTLY ATTRIBUTABLE TO
39 THE FALSE STATEMENT OR REPRESENTATION. ANY PENALTY MONIES SHALL BE
40 DEPOSITED TO THE CREDIT OF THE GENERAL FUND OF THE STATE.

41 8. IF THE WORKERS' COMPENSATION BOARD OR ANY COURT HAVING JURISDICTION
42 OVER PROCEEDINGS IN RESPECT OF ANY CLAIM FOR COMPENSATION DETERMINES
43 THAT THE PROCEEDINGS IN RESPECT OF SUCH CLAIM, INCLUDING ANY APPEALS,
44 HAVE BEEN INSTITUTED OR CONTINUED WITHOUT REASONABLE GROUND:

45 (I) THE COST OF SUCH PROCEEDINGS SHALL BE ASSESSED AGAINST THE PARTY
46 WHO HAS SO INSTITUTED OR CONTINUED THE PROCEEDINGS, WHICH SHALL BE PAYA-
47 BLE TO THE BOARD FOR ADMINISTRATIVE EXPENSES PURSUANT TO SECTION ONE
48 HUNDRED FIFTY-ONE OF THE WORKERS' COMPENSATION LAW;

49 (II) REASONABLE ATTORNEYS' FEES SHALL BE ASSESSED AGAINST AN ATTORNEY
50 OR LICENSED REPRESENTATIVE WHO HAS INSTITUTED OR CONTINUED PROCEEDINGS
51 WITHOUT REASONABLE GROUNDS, WHICH ASSESSMENT SHALL BE PAYABLE TO THE
52 BOARD FOR ADMINISTRATIVE EXPENSES PURSUANT TO SECTION ONE HUNDRED
53 FIFTY-ONE OF THE WORKERS' COMPENSATION LAW. FEES AWARDED UNDER THIS
54 PROVISION MAY NOT BE RECOUPED FROM THE PARTY; AND

55 (III) SUCH ASSESSMENTS SHALL BE IN ADDITION TO ANY OTHER PENALTY
56 PERMITTED UNDER THE WORKERS' COMPENSATION LAW.

1 S 2. Section 55 of the volunteer firefighters' benefit law is REPEALED
2 and a new section 55 is added to read as follows:

3 S 55. FRAUDULENT PRACTICES. 1. ANY PERSON WHO, KNOWINGLY AND WITH
4 INTENT TO DEFRAUD PRESENTS, CAUSES TO BE PRESENTED, OR PREPARES WITH
5 KNOWLEDGE OR BELIEF THAT IT WILL BE PRESENTED TO OR BY AN INSURER OR
6 PURPORTED INSURER, OR ANY AGENT THEREOF, ANY WRITTEN STATEMENT AS PART
7 OF, OR IN SUPPORT OF, AN APPLICATION FOR THE ISSUANCE OF OR THE RATING
8 OF AN INSURANCE POLICY FOR COMPENSATION INSURANCE, OR A CLAIM FOR
9 PAYMENT OR OTHER BENEFIT PURSUANT TO A COMPENSATION POLICY WHICH HE OR
10 SHE KNOWS TO: (I) CONTAIN A FALSE STATEMENT OR REPRESENTATION CONCERNING
11 ANY FACT MATERIAL THERETO; OR (II) OMITS ANY FACT MATERIAL THERETO,
12 SHALL BE GUILTY OF A CLASS E FELONY. UPON CONVICTION, THE COURT IN ADDI-
13 TION TO ANY OTHER AUTHORIZED SENTENCE, MAY ORDER FORFEITURE OF ALL
14 RIGHTS TO COMPENSATION OR PAYMENTS OF ANY BENEFIT, AND MAY ALSO REQUIRE
15 RESTITUTION OF ANY AMOUNT RECEIVED AS A RESULT OF A VIOLATION OF THIS
16 SUBDIVISION.

17 2. AN EMPLOYER OR CARRIER, OR ANY EMPLOYEE, AGENT, OR PERSON ACTING ON
18 BEHALF OF AN EMPLOYER OR CARRIER, WHO KNOWINGLY MAKES A FALSE STATEMENT
19 OR REPRESENTATION AS TO A MATERIAL FACT IN THE COURSE OF REPORTING,
20 INVESTIGATION OF, OR ADJUSTING A CLAIM FOR ANY BENEFIT OR PAYMENT UNDER
21 THE WORKERS' COMPENSATION LAW FOR THE PURPOSE OF AVOIDING PROVISION OF
22 SUCH PAYMENT OR BENEFIT SHALL BE GUILTY OF A CLASS E FELONY.

23 3. A PERSON WHO KNOWINGLY MAKES A FALSE STATEMENT OR REPRESENTATION AS
24 TO A MATERIAL FACT FOR THE PURPOSE OF OBTAINING, MAINTAINING OR RENEWING
25 INSURANCE UNDER THIS CHAPTER, WHETHER FOR HIMSELF OR HERSELF OR FOR ANY
26 OTHER PERSON OR ENTITY OR FOR THE PURPOSE OF EVADING THE REQUIREMENTS OF
27 SECTION FIFTY OF THIS CHAPTER SHALL BE GUILTY OF A CLASS E FELONY. IN
28 ADDITION TO ANY OTHER REMEDY, THE CARRIER PROVIDING INSURANCE SHALL BE
29 ENTITLED TO RESTITUTION OF ANY AMOUNT OBTAINED OR WITHHELD AS A RESULT
30 OF A VIOLATION OF THIS SUBDIVISION.

31 4. CONSISTENT WITH THE PROVISIONS OF THE CRIMINAL PROCEDURE LAW, IN
32 ANY PROSECUTION ALLEGING A VIOLATION OF SUBDIVISION ONE, TWO OR THREE OF
33 THIS SECTION, OR SECTIONS FIFTY-TWO AND ONE HUNDRED THIRTY-ONE OF THE
34 WORKERS' COMPENSATION LAW, IN WHICH THE ACT OR ACTS ALLEGED MAY ALSO
35 CONSTITUTE A VIOLATION OF THE PENAL OR OTHER LAW, THE PROSECUTING OFFI-
36 CIAL MAY CHARGE A PERSON PURSUANT TO THE PROVISIONS OF THIS SECTION AND
37 IN THE SAME ACCUSATORY INSTRUMENT WITH A VIOLATION OF SUCH OTHER LAW.

38 5. A PERSON (A) WHO IS CONVICTED OF A SECOND OR SUBSEQUENT OFFENSE
39 UNDER THIS SECTION WITHIN TEN YEARS OF THE PRIOR CONVICTION, OR (B) WHO
40 VIOLATES ANY PROVISION OF THIS SECTION CONCERNING TWO OR MORE CLAIMANTS,
41 SHALL BE GUILTY OF A CLASS D FELONY.

42 6. IF FOR THE PURPOSE OF OBTAINING COMPENSATION PURSUANT TO SECTION
43 FIFTEEN OF THE WORKERS' COMPENSATION LAW, OR FOR THE PURPOSE OF INFLU-
44 ENCING ANY DETERMINATION REGARDING ANY SUCH PAYMENT, A CLAIMANT KNOWING-
45 LY MAKES A FALSE STATEMENT OR REPRESENTATION AS TO A MATERIAL FACT, SUCH
46 PERSON SHALL BE DISQUALIFIED FROM RECEIVING ANY COMPENSATION DIRECTLY
47 ATTRIBUTABLE TO SUCH FALSE STATEMENT OR REPRESENTATION. IN ADDITION, AS
48 DETERMINED BY THE WORKERS' COMPENSATION BOARD, THE CLAIMANT SHALL BE
49 SUBJECT TO A DISQUALIFICATION OR AN ADDITIONAL PENALTY UP TO THE FOREGO-
50 ING AMOUNT DIRECTLY ATTRIBUTABLE TO THE FALSE STATEMENT OR REPRESENTATION.
51 ANY PENALTY MONIES SHALL BE PAID INTO THE STATE TREASURY.

52 7. IF WITH THE KNOWLEDGE OF A CLAIMANT, ANOTHER PERSON KNOWINGLY MAKES
53 A FALSE STATEMENT OR REPRESENTATION AS TO A MATERIAL FACT FOR THE
54 PURPOSE OF ASSISTING A CLAIMANT IN EITHER OBTAINING, OR INFLUENCING ANY
55 DETERMINATION REGARDING COMPENSATION PURSUANT TO SECTION FIFTEEN OF THE
56 WORKERS' COMPENSATION LAW, SUCH CLAIMANT MAY BE DISQUALIFIED FROM

1 RECEIVING ANY COMPENSATION DIRECTLY ATTRIBUTABLE TO SUCH FALSE STATEMENT
2 OR REPRESENTATION. IN ADDITION, AS DETERMINED BY THE WORKERS' COMPEN-
3 SATION BOARD, THE CLAIMANT MAY BE SUBJECT TO A DISQUALIFICATION OR AN
4 ADDITIONAL PENALTY UP TO THE FOREGOING AMOUNT DIRECTLY ATTRIBUTABLE TO
5 THE FALSE STATEMENT OR REPRESENTATION. ANY PENALTY MONIES SHALL BE
6 DEPOSITED TO THE CREDIT OF THE GENERAL FUND OF THE STATE.

7 8. IF THE WORKERS' COMPENSATION BOARD OR ANY COURT HAVING JURISDICTION
8 OVER PROCEEDINGS IN RESPECT OF ANY CLAIM FOR COMPENSATION DETERMINES
9 THAT THE PROCEEDINGS IN RESPECT OF SUCH CLAIM, INCLUDING ANY APPEALS,
10 HAVE BEEN INSTITUTED OR CONTINUED WITHOUT REASONABLE GROUND: (I) THE
11 COST OF SUCH PROCEEDINGS SHALL BE ASSESSED AGAINST THE PARTY WHO HAS SO
12 INSTITUTED OR CONTINUED THE PROCEEDINGS, WHICH SHALL BE PAYABLE TO THE
13 BOARD FOR ADMINISTRATIVE EXPENSES PURSUANT TO SECTION ONE HUNDRED
14 FIFTY-ONE OF THE WORKERS' COMPENSATION LAW; (II) REASONABLE ATTORNEYS'
15 FEES SHALL BE ASSESSED AGAINST AN ATTORNEY OR LICENSED REPRESENTATIVE
16 WHO HAS INSTITUTED OR CONTINUED PROCEEDINGS WITHOUT REASONABLE GROUNDS,
17 WHICH ASSESSMENT SHALL BE PAYABLE TO THE BOARD FOR ADMINISTRATIVE
18 EXPENSES PURSUANT TO SECTION ONE HUNDRED FIFTY-ONE OF THE WORKERS'
19 COMPENSATION LAW. FEES AWARDED UNDER THIS PROVISION MAY NOT BE RECOUPED
20 FROM THE PARTY; AND (III) SUCH ASSESSMENTS SHALL BE IN ADDITION TO ANY
21 OTHER PENALTY PERMITTED UNDER THE WORKERS' COMPENSATION LAW.

22 S 3. This act shall take effect immediately.