

A Bill for an Act Relating to Fraudulent Claims Submitted Against the State.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 661-7 of the Hawaii Revised Statutes is amended to read:

“Sec. 661-7 Claim forfeited by fraud. (a) Any person who intentionally submits a false claim or attempts to commit any fraud against the State in the proof, statement, establishment, or allowance of any claim, or of any part of any claim against the State, shall forfeit the same to the State; and when an action is brought to recover on such a claim, the court shall find specifically that fraud was committed or attempted to be committed, and thereupon give judgment that such claim is forfeited to the State, and that the claimant is forever barred from prosecuting the same.

(b) Any person who intentionally submits a false claim or attempts to commit a fraud against the State in the proof, statement, establishment, or allowance of any claim under \$5,000 or any part of any claim under \$5,000 against the State shall, in addition to any other penalty provided by law, be liable for civil penalties of:

- (1) Payment of interest on the amount of excess benefits or payments at the maximum legal rate in effect on the date the payment was made to said person, for the period from the date upon which payment was made to the date upon which repayment is made to the State;
- (2) Payment of an amount not to exceed double the amount of such excess benefits or payments; and
- (3) Payment in the sum of \$1,000 for each fraudulent claim or part of a fraudulent claim made against the State.

All interest and penalties provided for in this section may be sought and recovered in an administrative proceeding held pursuant to chapter 91 conducted by the department to which the claim was submitted.”

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored.*

SECTION 3. This Act shall take effect upon its approval.

(Approved May 25, 1979.)

*The text has been edited pursuant to HRS §23G-16.5, authorizing omission of the brackets, bracketed material, and underscoring.