

nonclassified positions under the provisions of Article 48A, § 18 of this Act, shall remain subject to the provisions of Article 64A of the Annotated Code of Maryland after their transfer to the Maryland Insurance Administration for as long as they retain those positions and until they leave the previously classified position.

SECTION 7. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

**Article 48A – Insurance Code**

233A.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "INSURANCE FRAUD" MEANS CRIMINAL ACTIVITY INVOLVING:

(I) A VIOLATION OF § 233 OF THIS ARTICLE;

(II) THEFT, AS SET OUT UNDER ARTICLE 27, §§ 340 THROUGH 342 OF THE CODE:

1. FROM A PERSON REGULATED UNDER THIS ARTICLE; OR

2. BY ANY PERSON REGULATED UNDER THIS ARTICLE OR BY ANY OFFICER, DIRECTOR, OR EMPLOYEE OF ANY PERSON REGULATED UNDER THIS ARTICLE; AND

(III) ANY OTHER APPLICABLE CRIME OF FRAUD SET OUT UNDER ARTICLE 27 OF THE CODE THAT IS COMMITTED BY OR AGAINST A PERSON OR ENTITY REGULATED UNDER THIS ARTICLE.

(3) "INSURANCE FRAUD DIVISION" MEANS THE INSURANCE FRAUD DIVISION IN THE OFFICE OF THE ATTORNEY GENERAL.

(B) IN COORDINATION AND CONSULTATION WITH THE INSURANCE FRAUD DIVISION, THE COMMISSIONER SHALL:

(1) INVESTIGATE SUSPECTED INSURANCE FRAUD;

(2) COLLECT FACTUAL INFORMATION RELATING TO SUSPECTED INSURANCE FRAUD;

(3) PRESENT ALL FACTUAL INFORMATION COLLECTED ON SUSPECTED INSURANCE FRAUD TO THE INSURANCE FRAUD DIVISION ; AND

(4) REFER ANY CASES FOR CRIMINAL PROSECUTION FOR INSURANCE FRAUD TO THE INSURANCE FRAUD DIVISION.