

1 **State of Arkansas**
2 **80th General Assembly**
3 **Regular Session, 1995**

A Bill

ACT 984 OF 1995
HOUSE BILL 1970

4 **By: Representatives Pappas, Thomas, Watts, Kidd, and Hill**

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For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE ANNOTATED § 20-77-909
9 CONCERNING SEIZURE OF PROPERTY RELATING TO MEDICAID FRAUD;
10 AND FOR OTHER PURPOSES."

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Subtitle

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13 "TO AMEND ARKANSAS LAW CONCERNING
14 SEIZURE OF PROPERTY RELATING TO MEDICAID
15 FRAUD."

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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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19 SECTION 1. Arkansas Code Annotated § 20-77-909 is amended to read as
20 follows:

21 "20-77-909. Injunctions against fraud.

22 (a) (1) Whenever it appears that any person is engaged or intends to
23 engage in the transfer, conversion, or destruction of assets, records, or
24 property in an effort to avoid detection of violations of this subchapter, the
25 Attorney General may apply to the Chancery Court of Pulaski County, or to the
26 court in which the records or property are located, to seize and impound the
27 property.

28 (2) The application for an ex parte order shall be in writing,
29 furnish a reasonable basis for the granting of the proposed order, and
30 demonstrate that an emergency exists which would support the granting of the
31 motion.

32 (b) (1) If the order is granted, the respondent shall be notified of the
33 order seizing and impounding his property immediately after the seizure, or as
34 soon as is reasonably practicable. If, after diligent inquiry, the respondent
35 cannot be located, notice under this subsection may be accomplished by leaving
36 a copy of the order at his dwelling house or usual place of abode with some

1 person residing therein who is at least eighteen (18) years of age, or by
2 delivering a copy thereof to a representative at respondent_s place of
3 business who is at least eighteen (18) years of age.

4 (2) If the order is granted, the respondent shall be granted a
5 hearing no later than five (5) days after being notified of the property
6 seizure for the purpose of determining whether the order should be continued.

7 (c) The burden at all stages of the proceeding shall be upon the state
8 to prove by a preponderance of the evidence the necessity of the order of
9 seizure."

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11 SECTION 2. All provisions of this act of a general and permanent nature
12 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
13 Revision Commission shall incorporate the same in the Code.

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15 SECTION 3. If any provision of this act or the application thereof to
16 any person or circumstance is held invalid, such invalidity shall not affect
17 other provisions or applications of the act which can be given effect without
18 the invalid provision or application, and to this end the provisions of this
19 act are declared to be severable.

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21 SECTION 4. All laws and parts of laws in conflict with this act are
22 hereby repealed.

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24 APPROVED: 4-6-95

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