Legislation Details

File #:	25-2405	**Version:**	1	**Name:**	SPECIAL PURPOSE FUND FOR FRAUD CASE SETTLEMENTS
Type:	Resolution			**Status:**	Approved
File created:	4/9/2025			**In control:**	Finance Committee
On agenda:	4/10/2025			**Final action:**	5/15/2025
Title:	PROPOSED RESOLUTION				

CREATION OF SPECIAL PURPOSE FUND FOR FRAUD CASE SETTLEMENTS

WHEREAS, the Cook County State's Attorney's Office ("SAO") has received settlement funds stemming from insurance fraud and other types of civil and criminal lawsuits; and

WHEREAS, certain insurance fraud settlement collections were accounted within the General Fund in FY24, prior to the creation of this special purpose fund; and

WHEREAS, under the Insurance Claims and Fraud Prevention Act (the "ICFPA") when the SAO has proceeded with an action, a portion of settlement funds shall be used to investigate, prosecute and prevent additional or future insurance fraud claims by augmenting existing budgets rather than replacing them, 740 ILCS 92/25(f); and

WHEREAS, under the ICFPA when the SAO or the Attorney General decline to intervene in an action, the settlement funds allocated to the SAO shall be used to investigate, prosecute and prevent crime by augmenting existing budgets rather than replacing them, 740 ILCS 92/25(h); and

WHEREAS, under the Illinois Consumer Fraud and Deceptive Business Practices Act (the "ICFDBA") funds collected pursuant to court order or settlement are payable to victims in restitution, and may also be applied to civil penalties and costs, 815 ILCS 505/7 and 10; and

WHEREAS, because an existing fund for these sources of funds currently does not exist within Cook County, a special purpose fund shall be created to separately account for such funds and shall be used pursuant to applicable state law, court orders and settlement agreements.

NOW THEREFORE BE IT RESOLVED, that the Cook County Budget Director and Comptroller are authorized to create and implement a Special Purpose Fund (the "State's Attorney Fraud Case Settlements Fund") for monies issued pursuant to governing statute from the investigation, prosecution and settlements of insurance fraud and other fraud cases.

BE IT FURTHER RESOLVED, that funds directed to the SAO or to Cook County will only be placed in the State's Attorney Fraud Case Settlement Fund if directed by and in accordance with governing law.

BE IT FURTHER RESOLVED, that the Budget Director and Comptroller shall be authorized to transfer $602,607.49 from the General Fund into the State's Attorney Fraud Case Settlements Fund and such other funds as appropriate to comply with laws, court orders and settlement agreements related to funds received by the SAO.

BE IT FURTHER RESOLVED, that the Budget Director and Comptroller, in conjunction with the SAO shall identify the State's Attorney Fraud Case Settlements Fund and associated programming in financial documents, as well as issue reports on a regular basis regarding the sources, uses and purposes of the funds.

Sponsors: TONI PRECKWINKLE (President)

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Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
5/15/2025	1	Board of Commissioners	approve	Pass
5/14/2025	1	Finance Committee	recommend for approval	Pass
4/10/2025	1	Board of Commissioners	refer	Pass