

Inmate Fraud

This Act makes it a felony for inmates to obtain money by defrauding people. The bill permits corrections staff to freeze all or a portion of an inmate's account while investigating whether the inmate has committed inmate fraud or while a criminal case involving inmate fraud is pending against the inmate. It requires corrections staff to return money in the inmate's account to the rightful owner if the inmate is convicted, and specifies that such money must be deposited in a Violent Crime Victims' Compensation Fund if the rightful owner cannot be located.

Submitted as:

Indiana

Senate Enrolled Act No. 10

Status: Enacted into law in 2008.

Suggested State Legislation

(Title, enacting clause, etc.)

1 Section 1. [*Short Title.*] This Act shall be cited as “An Act to Address Inmate Fraud.”

2

3 Section 2. [*Inmate Fraud.*]

4 (A) As used in this Act, “inmate” means a person who is confined in the custody of the
5 [department of correction], a sheriff, a county jail or a secure juvenile facility.

6 (B) An inmate who, with the intent of obtaining money or other property from a person
7 who is not an inmate, knowingly or intentionally makes a misrepresentation to a person who is
8 not an inmate and obtains or attempts to obtain money or other property from the person who is
9 not an inmate; or obtains or attempts to obtain money or other property from the person who is
10 not an inmate through a misrepresentation made by another person; commits inmate fraud, a
11 [Class C felony].

12

13 Section 3. [*Freezing Inmate Accounts.*]

14 (A) If the [department] has reasonable suspicion that money in an inmate's account was
15 derived from the commission of inmate fraud the [department] may freeze all or a part of the
16 inmate's account for not more than [one hundred eighty] days while the [department] conducts
17 an investigation to determine whether money in the inmate's account derives from inmate fraud.
18 If the [department] freezes the account of an inmate under this subsection, the [department] shall
19 notify the inmate in writing.

20 (B) If the [department's] investigation reveals that no money in the inmate's account was
21 derived from inmate fraud, the [department] shall unfreeze the account at the conclusion of the
22 investigation.

23 (C) If the [department's] investigation reveals that money in the inmate's account may
24 have been derived from the commission of inmate fraud, the [department] shall notify the
25 prosecuting attorney of the results of the [department's] investigation.

26 (D) If the prosecuting attorney charges the inmate with inmate fraud, the [department]
27 shall freeze the inmate's account until the case reaches final judgment.

28 (E) If the prosecuting attorney does not charge the inmate with inmate fraud, or if the
29 inmate is acquitted of the charge of inmate fraud, the [department] shall unfreeze the inmate's
30 account.

31 (F) If the inmate is convicted of inmate fraud, the [department], in consultation with the
32 prosecuting attorney, shall locate the money or property derived from inmate fraud and return it
33 to the rightful owner.

34 (G) If, [ninety] days after the date of a inmate's conviction for inmate fraud, the
35 [department] has located the money or property derived from the commission of inmate fraud but
36 is unable to return the money to the rightful owner, the [department] shall deposit the money in
37 the [Violent Crime Victims Compensation Fund] established by [insert citation].

38 (H) Confidential information held by the [department] about a person who has been
39 committed to the [department] shall be disclosed to a person who is or may be the victim of
40 inmate fraud if the [commissioner] determines that the interest in disclosure overrides the interest
41 to be served by nondisclosure or if the [commissioner] determines there exists a compelling
42 public interest to be as defined in [insert citation] for disclosure which overrides the interest to be
43 served by nondisclosure.

44

45 Section 4. [*Severability.*] [Insert severability clause.]

46

47 Section 5. [*Repealer.*] [Insert repealer clause.]

48

49 Section 6. [*Effective Date.*] [Insert effective date.]