



## Media Release

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### **Attorney General Alan Wilson, SCDOI Director Ray Farmer, and SLED Chief Mark Keel Announce \$2 Million Investment in Insurance Fraud Enforcement**

*Agencies also enter MOU to begin transferring insurance fraud enforcement to the SCDOI*

**Columbia, S.C.** – Ray Farmer, Director of the South Carolina Department of Insurance (SCDOI), announced today that he has entered a Memorandum of Understanding (MOU) with Attorney General Alan Wilson and Chief Mark Keel of the South Carolina Law Enforcement Division (SLED) to transfer insurance fraud enforcement to the SCDOI. General Wilson, Director Farmer, and Chief Keel also announced that the South Carolina General Assembly has approved \$2 million in funding for the investigation and prosecution of insurance fraud.

This change represents years of work to increase the funding to investigate and prosecute insurance fraud. The Attorney General's Office had a \$400,000 insurance fraud budget and only four investigators. In comparison, North Carolina has a budget of \$5.9 million with over 40 full-time investigators.

Under the MOU:

- The SCDOI will investigate and prosecute fraud in the insurance industry using SLED agents.
- Indictments will be presented to the Attorney General's Office for approval and the Attorney General retains prosecutorial authority.

"Insurance fraud is not a victimless crime. It exploits resources and drains our system while raising premiums for all our citizens," said General Wilson. "I'm proud to partner with Director Farmer and Chief Keel to make sure our state is the safest place possible to live, work, and raise a family."

According to the Attorney General's [2020 Insurance Fraud Report](#), South Carolina ranks:

- 8<sup>th</sup> in staged car wreck complaints
- 17<sup>th</sup> for complaints of suspected insurance fraud

"I've made it my mission to increase our state's resources and attention to fighting insurance fraud. This is an effort that's years in the making. I want to thank General Wilson and Chief Keel for sharing this mission and their collaboration. I also want to thank Governor McMaster and the General Assembly for their investment in combating this growing problem," said Director Farmer.

The General Assembly's budget for the 2021 – 2022 fiscal year includes \$2 million in appropriations to the SCDOI for insurance fraud enforcement, representing a 400% increase in funding over current levels.



“Our SLED agents are dedicated to rooting out insurance fraud,” said SLED Chief Mark Keel. “The victims of staged accidents, and our citizens that pay the resulting higher insurance premiums, are all better served through this collaboration and the state’s increased investment in fighting insurance fraud.”

The SCDOI, SLED and the Attorney General’s Office are preparing for the transition of responsibilities.

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