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(Original Signature of Member)

110TH CONGRESS  
1ST SESSION

# H. R.

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To amend the provisions of title 31, United States Code, relating to false claims to clarify and make technical amendments to those provisions, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

Mr. BERMAN (for himself and Mr. SENSENBRENNER) introduced the following bill; which was referred to the Committee on

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# A BILL

To amend the provisions of title 31, United States Code, relating to false claims to clarify and make technical amendments to those provisions, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “False Claims Act Cor-  
5 rection Act of 2007”.

1 **SEC. 2. LIABILITY FOR FALSE CLAIMS.**

2 Section 3729 of title 31, United States Code, is  
3 amended to read as follows:

4 **“§ 3729. False claims**

5 “(a) LIABILITY FOR CERTAIN ACTS.—

6 “(1) IN GENERAL.—Any person who—

7 “(A) knowingly presents, or causes to be  
8 presented for payment or approval a false or  
9 fraudulent claim for Government money or  
10 property,

11 “(B) knowingly makes, uses, or causes to  
12 be made or used, a false record or statement to  
13 get a false or fraudulent claim for Government  
14 money or property paid or approved,

15 “(C) has possession, custody, or control of  
16 Government money or property and, intending  
17 to—

18 “(i) defraud the Government,

19 “(ii) retain a known overpayment, or

20 “(iii) knowingly convert the money or  
21 property, permanently or temporarily, to  
22 an unauthorized use,

23 fails to deliver or return, or fails to cause the  
24 return or delivery of, the money or property, or  
25 delivers, returns, or causes to be delivered or

1 returned less money or property than the  
2 amount due or owed,

3 “(D) authorized to make or deliver a docu-  
4 ment certifying receipt of property used, or to  
5 be used, by the Government and, intending to  
6 defraud the Government, makes or delivers the  
7 receipt without completely knowing that the in-  
8 formation on the receipt is true,

9 “(E) knowingly buys, or receives as a  
10 pledge of an obligation or debt, public property  
11 from an officer or employee of the Government,  
12 or a member of the Armed Forces, who lawfully  
13 may not sell or pledge the property,

14 “(F) knowingly makes, uses, or causes to  
15 be made or used, a false record or statement to  
16 conceal, avoid, or decrease an obligation to pay  
17 or transmit money or property to the Govern-  
18 ment, or

19 “(G) conspires to commit any violation set  
20 forth in any of subparagraphs (A) through (F),  
21 is liable to the United States Government for a civil  
22 penalty of not less than \$5,000 and not more than  
23 \$10,000, plus 3 times the amount of damages which  
24 the Government or its administrative beneficiary

1 sustains because of the act of that person, subject  
2 to paragraphs (2) and (3).

3 “(2) LESSER PENALTY IF DEFENDANT COOPER-  
4 ATES WITH INVESTIGATION.—In an action brought  
5 for a violation under paragraph (1), the court may  
6 assess not less than 2 times the amount of damages  
7 which the Government or its administrative bene-  
8 ficiary sustains because of the act of the person  
9 committing the violation if the court finds that—

10 “(A) such person provided to those officials  
11 of the United States who are responsible for in-  
12 vestigating false claims violations, all informa-  
13 tion known to the person about the violation  
14 within 30 days after the date on which the per-  
15 son first obtained the information;

16 “(B) such person fully cooperated with any  
17 Government investigation of the violation; and

18 “(C) at the time such person provided to  
19 the United States the information about the  
20 violation under subparagraph (A), no criminal  
21 prosecution, civil action, or administrative ac-  
22 tion had commenced with respect to such viola-  
23 tion, and the person did not have actual knowl-  
24 edge of the existence of an investigation into  
25 such violation.

1           “(3) ASSESSMENT OF COSTS.—A person vio-  
2           lating paragraph (1) shall, in addition to a penalty  
3           or damages assessed under paragraph (1) or (2), be  
4           liable to the United States Government for the costs  
5           of a civil action brought to recover such penalty or  
6           damages.

7           “(b) DEFINITIONS.—For purposes of this section—

8           “(1) the terms ‘known’, ‘knowing’, and ‘know-  
9           ingly’ mean that a person, with respect to informa-  
10          tion—

11           “(A) has actual knowledge of the informa-  
12          tion,

13           “(B) acts in deliberate ignorance of the  
14          truth or falsity of the information, or

15           “(C) acts in reckless disregard of the truth  
16          or falsity of the information,

17          and no proof of specific intent to defraud is re-  
18          quired;

19           “(2) the term ‘Government money or property’  
20          means—

21           “(A) money or property belonging to the  
22          United States Government;

23           “(B) money or property that—

24           “(i) the United States Government  
25          provides or has provided to a contractor,

1 grantee, agent, or other recipient, or for  
2 which the United States Government will  
3 reimburse a contractor, grantee, agent, or  
4 other recipient; and

5 “(ii) is to be spent or used on the  
6 Government’s behalf or to advance a Gov-  
7 ernment program; and

8 “(C) money or property that the United  
9 States holds in trust or administers for any ad-  
10 ministrative beneficiary;

11 “(3) the term ‘claim’ includes any request or  
12 demand, whether under a contract or otherwise, for  
13 Government money or property; and

14 “(4) the term ‘administrative beneficiary’  
15 means any entity, including any governmental or  
16 quasi-governmental entity, on whose behalf the  
17 United States Government, alone or with others,  
18 serves as custodian or trustee of money or property  
19 owned by that entity.

20 “(c) STATUTORY CAUSE OF ACTION.—Liability  
21 under this section is a statutory cause of action all ele-  
22 ments of which are set forth in this section. No proof of  
23 any additional element of common law fraud or other  
24 cause of action is implied or required for liability to exist  
25 for a violation of these provisions.

1           “(d) EXEMPTION FROM DISCLOSURE.—Any informa-  
2 tion that a person provides pursuant to subparagraphs (A)  
3 through (C) of subsection (a)(2) shall be exempt from dis-  
4 closure under section 552 of title 5.

5           “(e) EXCLUSION.—This section does not apply to  
6 claims, records, or statements made under the Internal  
7 Revenue Code of 1986.”.

8 **SEC. 3. CIVIL ACTIONS FOR FALSE CLAIMS.**

9           (a) ACTIONS BY PRIVATE PERSONS GENERALLY.—  
10 Section 3730(b) of title 31, United States Code, is amend-  
11 ed—

12                 (1) in paragraph (1), by striking the last sen-  
13 tence and inserting the following: “The action may  
14 be dismissed only with the consent of the court and  
15 the Attorney General.”;

16                 (2) in paragraph (2), by inserting after the sec-  
17 ond sentence the following: “In the absence of a  
18 showing of extraordinary need, the written disclosure  
19 of any material evidence and information, and any  
20 other attorney work product, that the person bring-  
21 ing the action provides to the Government shall not  
22 be subject to discovery.”;

23                 (3) in paragraph (4), by striking subparagraph  
24 (B) and inserting the following:

1           “(B) notify the court that it declines to take  
2           over the action, in which case the person bringing  
3           the action shall have the right to conduct the action,  
4           and, within 45 days after the Government provides  
5           such notice, shall either—

6                   “(i) move to dismiss the action without  
7                   prejudice, or

8                   “(ii) notify the court of the person’s inten-  
9                   tion to proceed with the action and move the  
10                  court to unseal the complaint, and any amend-  
11                  ments thereto, so as to permit service on the  
12                  defendant and litigation of the action in a pub-  
13                  lic forum.

14 A person who elects to proceed with the action under sub-  
15 paragraph (B)(ii) shall serve the complaint within 120  
16 days after the person’s complaint is unsealed under such  
17 subparagraph.”; and

18           (4) by amending paragraph (5) to read as fol-  
19           lows:

20           “(5) When a person brings an action under this sub-  
21           section, no person other than the Government may join  
22           or intervene in the action, except with the consent of the  
23           person who brought the action. In addition, when a person  
24           brings an action that is pled in accordance with this sub-  
25           section and section 3731(e), no other person may bring



1 a separate action under this subsection based on the facts  
2 underlying a cause of action in the pending action.”.

3 (b) RIGHTS OF THE PARTIES TO QUI TAM AC-  
4 TIONS.—Section 3730(c)(5) of title 31, United States  
5 Code, is amended by striking the second sentence and in-  
6 serting the following: “An alternate remedy includes—

7 “(A) anything of value received by the Govern-  
8 ment from the defendant, whether funds, credits, or  
9 in-kind goods or services, in exchange for an agree-  
10 ment by the Government either to release claims  
11 brought in, or to decline to intervene in or inves-  
12 tigate the action initiated under subsection (b); and

13 “(B) anything of value received by the Govern-  
14 ment based on the claims alleged by the person initi-  
15 ating the action, if that person subsequently prevails  
16 on the claims.

17 If any such alternate remedy is pursued in another pro-  
18 ceeding, the person initiating the action shall have the  
19 same rights in such proceeding as such person would have  
20 had if the action had continued under this section, except  
21 that the person initiating the action may not obtain an  
22 award calculated on more than the total amount of dam-  
23 ages, plus any fines or penalties, that could be recovered  
24 by the United States under section 3729(a).”.

1 (c) AWARD TO QUI TAM PLAINTIFF.—Section  
2 3730(d) of title 31, United States Code, is amended—

3 (1) in paragraph (1)—

4 (A) in the first sentence, by inserting “an  
5 award of” after “receive”;

6 (B) by striking the second and third sen-  
7 tences and inserting the following: “Any pay-  
8 ment to a person under this paragraph or  
9 under paragraph (2) or (3) shall be made from  
10 the proceeds, and shall accrue interest, at the  
11 underpayment rate under section 6621 of the  
12 Internal Revenue Code of 1986, beginning 30  
13 days after the date the proceeds are paid to the  
14 United States, and continuing until payment is  
15 made to the person by the United States.”; and

16 (C) in the last sentence, by striking “nec-  
17 essarily”;

18 (2) in paragraph (2)—

19 (A) in the second sentence, by striking  
20 “and shall be paid out of such proceeds”; and

21 (B) in the third sentence, by striking “nec-  
22 essarily”; and

23 (3) by amending paragraph (3) to read as fol-  
24 lows:

1 “(3)(A) Whether or not the Government proceeds  
2 with the action, if the court finds that the action was  
3 brought by a person who either—

4 “(i) planned and initiated the violation of sec-  
5 tion 3729 upon which the action was brought, or

6 “(ii) derived his or her knowledge of the action  
7 primarily from specific information relating to alle-  
8 gations or transactions (other than information pro-  
9 vided by the person bringing the action) that the  
10 Government publicly disclosed, within the meaning  
11 of subsection (e)(4)(A), or that it disclosed privately  
12 to the person bringing the action in the course of its  
13 investigation into potential violations of section  
14 3729,

15 then the court may, to the extent the court considers ap-  
16 propriate, reduce the share of the proceeds of the action  
17 that the person would otherwise receive under paragraph  
18 (1) or (2) of this subsection, taking into account the role  
19 of that person in advancing the case to litigation and any  
20 relevant circumstances pertaining to the violation. The  
21 court shall direct the defendant to pay any such person  
22 an amount for reasonable expenses that the court finds  
23 to have been incurred, plus reasonable attorneys’ fees and  
24 costs.

1           “(B) If the person bringing the action is convicted  
2 of criminal conduct arising from his or her role in the vio-  
3 lation of section 3729, that person shall be dismissed from  
4 the civil action and shall not receive any share of the pro-  
5 ceeds of the action. Such dismissal shall not prejudice the  
6 right of the United States to continue the action, rep-  
7 resented by the Department of Justice.”.

8           (d) CERTAIN ACTIONS BARRED.—Paragraph (4) of  
9 section 3730(e) of title 31, United States Code, is amend-  
10 ed to read as follows:

11           “(4)(A) Upon timely motion of the Attorney General  
12 of the United States, a court shall dismiss an action or  
13 claim brought by a person under subsection (b) if the alle-  
14 gations relating to all essential elements of liability of the  
15 action or claim are based exclusively on the public disclo-  
16 sure of allegations or transactions in a Federal criminal,  
17 civil, or administrative hearing, in a congressional, Federal  
18 administrative, or Government Accountability Office re-  
19 port, hearing, audit, or investigation, or from the news  
20 media.

21           “(B) For purposes of this paragraph, a ‘public disclo-  
22 sure’ includes only disclosures that are made on the public  
23 record or have otherwise been disseminated broadly to the  
24 general public. An action or claim is ‘based on’ a public  
25 disclosure only if the person bringing the action derived

1 the person's knowledge of all essential elements of liability  
2 of the action or claim alleged in the complaint from the  
3 public disclosure. The person bringing the action does not  
4 create a public disclosure by obtaining information from  
5 a request for information made under section 552 of title  
6 5 or from exchanges of information with law enforcement  
7 and other Government employees if such information does  
8 not otherwise qualify as publicly disclosed under this para-  
9 graph.”.

10 (e) RELIEF FROM RETALIATORY ACTIONS.—Sub-  
11 section (h) of section 3730 of title 31, United States Code,  
12 is amended to read as follows:

13 “(h) RELIEF FROM RETALIATORY ACTION.—Any  
14 person who is discharged, demoted, suspended, threat-  
15 ened, harassed, or in any other manner discriminated  
16 against in the terms or conditions of employment, or is  
17 materially hindered in obtaining new employment or other  
18 business opportunities, by any other person because of  
19 lawful acts done by the person discriminated against or  
20 others associated with that person—

21 “(1) in furtherance of an actual or potential ac-  
22 tion under this section, including investigation for,  
23 initiation of, testimony for, or assistance in an ac-  
24 tion filed or to be filed under this section, or

1           “(2) in furtherance of other efforts to stop one  
2           or more violations of section 3729,  
3 shall be entitled to all relief necessary to make the person  
4 whole. Such relief shall include reinstatement with the  
5 same seniority status such person would have had but for  
6 the discrimination, 2 times the amount of back pay or  
7 business loss, interest on the back pay or business loss,  
8 and compensation for any special damages sustained as  
9 a result of the discrimination, including litigation costs  
10 and reasonable attorneys’ fees. An action under this sub-  
11 section may be brought in the appropriate district court  
12 of the United States for the relief provided in this sub-  
13 section.”.

14           (f) RELIEF TO ADMINISTRATIVE BENEFICIARIES.—  
15 Section 3730 of title 31, United States Code, is amended  
16 by adding at the end the following new subsection:(i) .

17           “(i) DAMAGES COLLECTED FOR FINANCIAL LOSSES  
18 SUFFERED BY ADMINISTRATIVE BENEFICIARIES.—After  
19 paying any awards due one or more persons who brought  
20 an action under subsection (b), the Government shall pay  
21 from the proceeds of the action to any administrative ben-  
22 eficiary, as defined in section 3729(b), all amounts that  
23 the Government has collected in the action for financial  
24 losses suffered by such administrative beneficiary. Any re-  
25 maining proceeds collected by the Government shall be

1 treated in the same manner as proceeds collected by the  
2 Government for direct losses the Government suffers from  
3 violations of section 3729. Nothing in section 3729 or this  
4 section precludes administrative beneficiaries from pur-  
5 suing any alternate remedies available to them for losses  
6 or other harm suffered for them that are not pursued or  
7 recovered in an action under this section, except that if  
8 such alternate remedy proceedings are initiated after a  
9 person has initiated an action under subsection (b), such  
10 person shall be entitled to have such alternative remedies  
11 considered in determining any award in the action under  
12 subsection (b) to the same extent that such person would  
13 be entitled under subsection (c)(5) with respect to any al-  
14 ternate remedy pursued by the Government.”.

15 **SEC. 4. FALSE CLAIMS PROCEDURE.**

16 (a) STATUTE OF LIMITATIONS; INTERVENTION BY  
17 THE GOVERNMENT.—Subsection (b) of section 3731 of  
18 title 31, United States Code, is amended to read as fol-  
19 lows:

20 “(b) STATUTE OF LIMITATIONS; INTERVENTION BY  
21 THE GOVERNMENT.—

22 “(1) STATUTE OF LIMITATIONS.—A civil action  
23 under section 3730 (a), (b), or (h) may not be  
24 brought more than 10 years after the date on which

1 the violation of section 3729 or 3730(h) is com-  
2 mitted.

3 “(2) INTERVENTION.— If the Government  
4 elects to intervene and proceed with the action under  
5 section 3730, the Government may file its own com-  
6 plaint, or amend the complaint of a person who  
7 brought the action under section 3730(b), to clarify  
8 or add detail to the claims in which it is intervening  
9 and to add any additional claims with respect to  
10 which the Government contends it is entitled to re-  
11 lief. For purposes of paragraph (1), any such Gov-  
12 ernment pleading shall relate back to the filing date  
13 of the complaint of the person who originally  
14 brought the action to the extent that the Govern-  
15 ment’s claim arises out of the conduct, transactions,  
16 or occurrences set forth, or attempted to be set  
17 forth, in the person’s prior complaint.”.

18 (b) STANDARD OF PROOF.—Section 3731(c) of title  
19 31, United States Code, is amended—

20 (1) by striking “(c) In” and inserting “(c)  
21 STANDARD OF PROOF.—In”; and

22 (2) by striking “United States” and inserting  
23 “plaintiff”.

24 (c) NOTICE OF CLAIMS; VOID CONTRACTS, AGREE-  
25 MENTS, AND CONDITIONS OF EMPLOYMENT.—Section



1 3731 of title 31, United States Code, is amended by add-  
2 ing at the end the following new subsections:

3       “(e) NOTICE OF CLAIMS.—In pleading an action  
4 brought under section 3730(b), a person shall not be re-  
5 quired to identify specific claims that result from an al-  
6 leged course of misconduct if the facts alleged in the com-  
7 plaint, if ultimately proven true, would provide a reason-  
8 able indication that one or more violations of section 3729  
9 are likely to have occurred, and if the allegations in the  
10 pleading provide adequate notice of the specific nature of  
11 the alleged misconduct to permit the Government effec-  
12 tively to investigate and defendants fairly to defend the  
13 allegations made.

14       “(f) VOID CONTRACT, AGREEMENTS, AND CONDI-  
15 TIONS OF EMPLOYMENT.—

16           “(1) IN GENERAL.—Any contract, private  
17 agreement, or private term or condition of employ-  
18 ment that has the purpose or effect of limiting or  
19 circumventing the rights of a person to take other-  
20 wise lawful steps to initiate, prosecute, or support an  
21 action under section 3730, or to limit or circumvent  
22 the rights or remedies provided to persons bringing  
23 actions under section 3730(b) and other cooperating  
24 persons under section 3729 shall be void to the full  
25 extent of such purpose or effect.

1           “(2) EXCEPTION.—Paragraph (1) shall not pre-  
2           clude a contract or private agreement that is entered  
3           into—

4                   “(A) with the United States and a person  
5                   bringing an action under section 3730(b) who  
6                   would be affected by such contract or agree-  
7                   ment specifically to settle claims of the United  
8                   States and the person under section 3730; or

9                   “(B) specifically to settle any discrimina-  
10                  tion claim under section 3730(h) of a person af-  
11                  fected by such contract or agreement.”.

12           (d) CONFORMING AMENDMENTS.—Section 3731 of  
13           title 31, United States Code, is amended—

14                   (1) in subsection (a), by striking “(a) A sub-  
15                   pena” and inserting “(a) SERVICE OF SUB-  
16                   POENAS.—A subpoena”; and

17                   (2) in subsection (d), by striking “(d) Notwith-  
18                   standing” and inserting “(d) ESTOPPEL.—Notwith-  
19                   standing”.

20           **SEC. 5. FALSE CLAIMS JURISDICTION.**

21           Section 3732 of title 31, United States Code, is  
22           amended by adding at the end the following new sub-  
23           section:

24                   “(c) SERVICE ON STATE OR LOCAL AUTHORITIES.—  
25           With respect to any State or local government that is

1 named as a co-plaintiff with the United States in an action  
2 brought under subsection (b), a seal on the action ordered  
3 by the court under section 3730(b) shall not preclude the  
4 Government or the person bringing the action from serv-  
5 ing the complaint, any other pleadings, or the written dis-  
6 closure of substantially all material evidence and informa-  
7 tion possessed by the person bringing the action on the  
8 law enforcement authorities that are authorized under the  
9 law of that State or local government to investigate and  
10 prosecute such actions on behalf of such governments.”.

11 **SEC. 6. CIVIL INVESTIGATIVE DEMANDS.**

12 (a) CIVIL INVESTIGATIVE DEMANDS.—Section  
13 3733(a)(1) of title 31, United State Code, is amended—

14 (1) in the matter preceding subparagraph (A),  
15 by inserting “, or a designee (for the purposes of  
16 this section),” after “Whenever the Attorney Gen-  
17 eral”; and

18 (2) in the matter following subparagraph (D),  
19 by—

20 (A) striking “may not delegate” and in-  
21 serting “may delegate”; and

22 (B) adding at the end the following: “Any  
23 information obtained by the Attorney General  
24 or a designee of the Attorney General under  
25 this section may be shared with any a person

1 bringing an action under section 3730(b) if the  
2 Attorney General or the designee determines  
3 that it is necessary as part of any false claims  
4 law investigation.”.

5 (b) PROCEDURES.—Section 3733(i)(3) of title 31,  
6 United States Code, is amended to read as follows:

7 “(3) USE OF MATERIAL, ANSWERS, OR TRAN-  
8 SCRIPTS IN FALSE CLAIMS ACTIONS AND OTHER  
9 PROCEEDINGS.—Whenever any attorney of the De-  
10 partment of Justice has been designated to handle  
11 any false claims law investigation or proceeding, or  
12 any other administrative, civil, or criminal investiga-  
13 tion, case, or proceeding, the custodian of any docu-  
14 mentary material, answers to interrogatories, or  
15 transcripts of oral testimony received under this sec-  
16 tion may deliver to such attorney such material, an-  
17 swers, or transcripts for official use in connection  
18 with any such investigation, case, or proceeding as  
19 such attorney determines to be required. Upon the  
20 completion of any such investigation, case, or pro-  
21 ceeding, such attorney shall return to the custodian  
22 any such material, answers, or transcripts so deliv-  
23 ered which have not passed into the control of a  
24 court, grand jury, or agency through introduction  
25 into the record of such case or proceeding.”.

1 (c) DEFINITIONS.—Section 3733(l) of title 31,  
2 United States Code, is amended—

3 (1) in paragraph (6), by striking “and” after  
4 the semicolon;

5 (2) in paragraph (7), by striking the period at  
6 the end and inserting “; and”; and

7 (3) by adding at the end the following:

8 “(8) the term ‘official use’ means all lawful,  
9 reasonable uses in furtherance of an investigation,  
10 case, or proceeding, such as disclosures in connec-  
11 tion with interviews of fact witnesses, settlement dis-  
12 cussions, coordination of an investigation with a  
13 State Medicaid Fraud Control Unit or other govern-  
14 ment personnel, consultation with experts, and use  
15 in court pleadings and hearings.”.

16 **SEC. 7. GOVERNMENT RIGHT TO DISMISS CERTAIN AC-**  
17 **TIONS.**

18 Section 3730(b) of title 31, United States Code, is  
19 amended by adding at the end the following:

20 “(6)(A) Not later than 60 days after the date of serv-  
21 ice under paragraph (2), the Government may move to dis-  
22 miss from the action the person bringing the action if the  
23 person is an employee of the Federal Government and—

24 “(i) all the necessary and specific material alle-  
25 gations contained in such action were derived from

1 an open and active fraud investigation by the execu-  
2 tive branch of the Government; or

3 “(ii) subject to subparagraph (B), the person  
4 bringing the action learned of the information that  
5 underlies the alleged violation of section 3729 that  
6 is the basis of the action in the course of the per-  
7 son’s employment by the United States.

8 “(B) In the case of a person to whom subparagraph  
9 (A)(ii) applies—

10 “(i) if the employing agency has an Inspector  
11 General and the person, before bringing the action—

12 “(I) disclosed in writing to the Inspector  
13 General substantially all material evidence and  
14 information that relates to the alleged violation  
15 that the person possessed, and

16 “(II) notified in writing the person’s super-  
17 visor and the Attorney General of the disclosure  
18 under subclause (I), or

19 “(ii) if the employing agency does not have an  
20 Inspector General and the person, before bringing  
21 the action—

22 “(I) disclosed in writing to the Attorney  
23 General substantially all material evidence and  
24 information that relates to the alleged violation  
25 that the person possessed, and

1                   “(II) notified in writing the person’s super-  
2                   visor of the disclosure under subclause (I),  
3 the motion under subparagraph (A) may be brought only  
4 after a period of 12 months (and any extension under sub-  
5 paragraph (C)) has elapsed since the disclosure of infor-  
6 mation and notification under clause (i) or (ii) was made,  
7 and only if the Attorney General has filed an action under  
8 this section based on such information.

9                   “(C) Before the end of the 12-month period described  
10 under subparagraph (B), and upon notice to the person  
11 who has disclosed information and provided notice under  
12 subparagraph (B)(i) or (ii), the Attorney General may file  
13 a motion seeking an extension of that 12-month period.  
14 The court may extend that 12-month period for an addi-  
15 tional period of not more than 12 months upon a showing  
16 by the Government that the additional period is necessary  
17 for the Government to decide whether or not to file an  
18 action under this section based on the information. Any  
19 such motion may be filed in camera and may be supported  
20 by affidavits or other submissions in camera.

21                   “(D) For purposes of subparagraph (B), a person’s  
22 supervisor is the officer or employee who—

23                   “(i) is in a position of the next highest classi-  
24                   fication to the position of such person;

1           “(ii) has supervisory authority over such per-  
2           son; and

3           “(iii) such person believes is not culpable of the  
4           violation upon which the action under this sub-  
5           section is brought by such person

6           “(E) A motion to dismiss under this paragraph shall  
7           set forth documentation of the allegations, evidence, and  
8           information in support of the motion.

9           “(F) Any person bringing an action under paragraph  
10          (1) shall be provided an opportunity to contest a motion  
11          to dismiss under this paragraph. The court may restrict  
12          access to the evidentiary materials filed in support of the  
13          motion to dismiss, as the interests of justice require. A  
14          motion to dismiss and papers filed in support or opposition  
15          of such motion may not be—

16                 “(i) made public without the prior written con-  
17                 sent of the person bringing the civil action; and

18                 “(ii) subject to discovery by the defendant.

19           “(G) If the motion to dismiss under this paragraph  
20          is granted, the matter shall remain under seal.

21           “(H) Not later than 6 months after the date of the  
22          enactment of this paragraph, and every 6 months there-  
23          after, the Attorney General shall submit to the Committee  
24          on the Judiciary of the Senate and the Committee on the  
25          Judiciary of the House of Representatives a report on—



1           “(i) the cases in which the Department of Jus-  
2           tice has filed a motion to dismiss under this para-  
3           graph;

4           “(ii) the outcome of such motions; and

5           “(iii) the status of the civil actions in which  
6           such motions were filed.”.

7   **SEC. 8. EFFECTIVE DATE.**

8           The amendments made by this Act shall take effect  
9           on the date of the enactment of this Act and shall apply  
10          to any case pending on, or filed on or after, that date.