

108TH CONGRESS  
2D SESSION

# S. 3018

To direct the Inspector General of the Department of Justice to submit semi-annual reports regarding settlements relating to false claims and fraud against the Federal Government.

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IN THE SENATE OF THE UNITED STATES

NOVEMBER 19, 2004

Mr. GRASSLEY introduced the following bill; which was read twice and referred to the Committee on the Judiciary

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## A BILL

To direct the Inspector General of the Department of Justice to submit semi-annual reports regarding settlements relating to false claims and fraud against the Federal Government.

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. FALSE CLAIMS SETTLEMENTS.**

4       Section 8E of the Inspector General Act (5 U.S.C.  
5       App. 3) is amended by adding at the end the following:

6       “(e)(1) In preparing the semi-annual report under  
7       section 5, the Inspector General of the Department of Jus-  
8       tice shall describe each settlement or compromise of any

1 claim, suit, or other action entered into with the Depart-  
 2 ment of Justice that—

3 “(A) relates to an alleged violation of section  
 4 1031 of title 18, United States Code, or section  
 5 3729 of title 31, United States Code; and

6 “(B) results from a claim of damages in excess  
 7 of \$500,000.

8 “(2) The descriptions of each settlement or com-  
 9 promise required to be included in the semi-annual report  
 10 under paragraph (1) shall include—

11 “(A) the amount of actual damages estimated  
 12 to have been sustained;

13 “(B) the basis for the estimated damages  
 14 caused by the violation;

15 “(C) the multiple of actual damages or, if less  
 16 than single damages, the percentage of actual dam-  
 17 ages obtained;

18 “(D) the amount of criminal fines imposed;

19 “(E) the basis for the criminal fines;

20 “(F) the date of the settlement;

21 “(G) whether the defendant, and if the defend-  
 22 ant is a corporation, whether 1 or more of its divi-  
 23 sions, subsidiaries, affiliates, or related entities, has  
 24 entered into any other settlement or compromise in  
 25 the previous 25 years related to section 1031 of title

1 18, United States Code, or section 3730(b) of title  
2 31, United States Code, and if so, the dates of such  
3 agreements;

4 “(H) whether the defendant, and if the defend-  
5 ant is a corporation, whether 1 or more of its divi-  
6 sions, subsidiaries, affiliates, or related entities, has  
7 entered into a corporate integrity agreement;

8 “(I) whether the defendant has entered into  
9 other corporate integrity agreements in the previous  
10 10 years, and if so, the dates of such agreements;

11 “(J) in the case of settlements involving Med-  
12 icaid, the amounts paid to the Federal government  
13 and to each of the States participating in the settle-  
14 ment;

15 “(K) whether civil investigative demands were  
16 issued in relation to the alleged violation of section  
17 1031 of title 18, United States Code, or section  
18 3730(b) of title 31, United States Code; and

19 “(L) in a qui tam action brought under section  
20 3730(b) of title 31, United States Code—

21 “(i) the date of the filing of the complaint  
22 under seal;

23 “(ii) whether the person who filed that ac-  
24 tion also filed a motion requesting a fairness  
25 hearing;

1                   “(iii) the amount of the relator’s share;  
2                   and  
3                   “(iv) whether the client agency partici-  
4                   pated in settlement discussions and negotia-  
5                   tions.”.

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