

110TH CONGRESS
2D SESSION

H. R. 5717

To establish a reward system to provide monetary awards to individuals who provide information relating to violations of the CAN-SPAM Act.

IN THE HOUSE OF REPRESENTATIVES

APRIL 8, 2008

Mr. McCOTTER (for himself, Mr. COHEN, and Mr. MEEKS of New York) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To establish a reward system to provide monetary awards to individuals who provide information relating to violations of the CAN-SPAM Act.

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 “Inform and Deter
5 Spam Act” or the “ID Spam Act”.

6 **SEC. 2. REWARD SYSTEM FOR INFORMATION CONCERNING**
7 **VIOLATIONS OF THE CAN-SPAM ACT.**

8 Section 11 of the CAN-SPAM Act of 2003 (15
9 U.S.C. 7710) is amended to read as follows:

1 **“SEC. 11. REWARDS FOR INFORMATION ABOUT VIOLA-**
2 **TIONS.**

3 “(a) ESTABLISHMENT OF FUND.—

4 “(1) CIVIL PENALTIES.—If in any judicial or
5 administrative action brought by the Commission
6 under this Act, the Commission obtains a civil pen-
7 alty against any person for a violation of this Act,
8 the amount of such civil penalty shall, on the motion
9 or at the direction of the Commission, be added to
10 and become part of a fund established for the pro-
11 viding of rewards to individuals who provide infor-
12 mation concerning a violation of this Act.

13 “(2) ACCEPTANCE OF ADDITIONAL DONA-
14 TIONS.—The Commission is authorized to accept,
15 hold, administer, and utilize gifts, bequests and de-
16 vises of property, both real and personal, to the
17 United States for a fund described in paragraph (1).
18 Such gifts, bequests and devises of money and pro-
19 ceeds from sales of other property received as gifts,
20 bequests and devises shall be deposited in the fund
21 established under paragraph (1) and shall be avail-
22 able for the purposes of such fund as described in
23 such paragraph.

24 “(b) ELIGIBILITY AND AMOUNT OF REWARD.—The
25 Commission may grant a reward in an amount not to ex-
26 ceed \$100,000 to any individual determined by the Com-

1 mission to have provided valuable information concerning
2 a violation of this Act which resulted in the imposition
3 of a final court order against the person or persons found
4 in violation of this Act.

5 “(c) REWARD DETERMINATION SOLE DISCRETION
6 OF THE COMMISSION.—The Commission shall have the
7 sole discretion to determine the eligibility for and the
8 amount of any reward granted under this section. Any de-
9 cision by the Commission relating to the granting of a re-
10 ward, including whether, to whom, or in what amount
11 shall be final and shall not be subject to judicial review.
12 No person is authorized under this section to make any
13 offer or promise or to otherwise bind the Commission with
14 respect to the payment of any reward authorized under
15 this section.

16 “(d) NO GRANT OF IMMUNITY.—The receipt of a re-
17 ward under this section shall not constitute immunity
18 from criminal liability.

19 “(e) UNLAWFUL TO PROVIDE FALSE INFORMA-
20 TION.—

21 “(1) CONDUCT PROHIBITED.—It shall be un-
22 lawful for any person to provide any information to
23 the Commission that such person knows or should
24 know to be false.

1 “(2) PENALTIES.—Any person who violates
 2 paragraph (1) shall be fined under title 18, United
 3 States Code, or imprisoned for not more than 5
 4 years, or both. Any person who violates paragraph
 5 (1) may be held civilly liable to the United States
 6 and assessed a civil penalty not to exceed \$100,000.

7 “(f) REGULATIONS.—The Commission is authorized
 8 to issue such regulations as may be necessary to carry out
 9 the reward system authorized by this section. Such regula-
 10 tions may include establishing procedures for filing a claim
 11 of a reward under this section and procedures for main-
 12 taining the anonymity of informants who provide informa-
 13 tion to the Commission concerning violations of this Act.”.

14 **SEC. 3. STUDY ON THE UTILITY OF THE REWARD SYSTEM.**

15 Not later than 2 years after the date of enactment
 16 of this Act, and every 2 years thereafter, the Federal
 17 Trade Commission shall transmit a report to Congress on
 18 the utility of the reward system established under section
 19 1, including the number and amount of rewards granted
 20 and the number of successful enforcement actions result-
 21 ing from information reported to the Commission for
 22 which a reward was granted.

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