

Public Law 101-123
101st Congress

An Act

To amend title 18 of the United States Code to provide increased penalties for certain major frauds against the United States.

Oct. 23, 1989

[S. 248]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Major Fraud Act Amendments of 1989".

Major Fraud Act
Amendments of
1989.
18 USC 1001
note.

SEC. 2. REWARD FOR WHISTLEBLOWERS.

(a) AMENDMENT TO TITLE 18.—Section 1031 of title 18, United States Code, is amended by inserting after subsection (f) the following new subsection:

"(g)(1) In special circumstances and in his or her sole discretion, the Attorney General is authorized to make payments from funds appropriated to the Department of Justice to persons who furnish information relating to a possible prosecution under this section. The amount of such payment shall not exceed \$250,000. Upon application by the Attorney General, the court may order that the Department shall be reimbursed for a payment from a criminal fine imposed under this section.

"(2) An individual is not eligible for such a payment if—

"(A) that individual is an officer or employee of a government agency who furnishes information or renders service in the performance of official duties;

"(B) that individual failed to furnish the information to the individual's employer prior to furnishing it to law enforcement authorities, unless the court determines the individual has justifiable reasons for that failure;

"(C) the furnished information is based upon public disclosure of allegations or transactions in a criminal, civil, or administrative hearing, in a congressional, administrative, or GAO report, hearing, audit or investigation, or from the news media unless the person is the original source of the information. For the purposes of this subsection, "original source" means an individual who has direct and independent knowledge of the information on which the allegations are based and has voluntarily provided the information to the Government; or

"(D) that individual participated in the violation of this section with respect to which such payment would be made.

"(3) The failure of the Attorney General to authorize a payment shall not be subject to judicial review."

(b) APPLICABILITY.—The amendment made by this section shall apply to contracts entered into on or after the date of the enactment of this Act.

Contracts.
18 USC 1031
note.

SEC. 3. TECHNICAL AMENDMENT.

18 USC 293 and note. (a) REPEAL.—Section 3 of the Major Fraud Act of 1988 (Public Law 100-700) and the amendment made by such section are repealed.

18 USC 293 note. (b) EFFECTIVE DATE.—The repeal made by this section shall be deemed to be effective on the date of enactment of Public Law 100-700.

Approved October 23, 1989.

LEGISLATIVE HISTORY—S. 248:

HOUSE REPORTS: No. 101-273 (Comm. on the Judiciary).

SENATE REPORTS: No. 101-7 (Comm. on the Judiciary).

CONGRESSIONAL RECORD, Vol. 135 (1989):

Apr. 5, considered and passed Senate.

Oct. 10, considered and passed House.