



Legislation Details (With Text)

File #: Int 0828-2012 **Version:** A **Name:** New York city false claims act.
Type: Introduction **Status:** Enacted
In control: Committee on Governmental Operations

On agenda: 4/18/2012

Enactment date: 6/20/2012 **Enactment #:** 2012/034

Title: A Local Law to amend the administrative code of the city of New York, in relation to the New York city false claims act.

Sponsors: Gale A. Brewer, Inez E. Dickens, Letitia James, Brad S. Lander, Stephen T. Levin, Annabel Palma, Deborah L. Rose, Ruben Wills, Ydanis A. Rodriguez, Margaret S. Chin, Daniel R. Garodnick, Robert Jackson, Charles Barron

Indexes:

Attachments: 1. Int. No. 828 - 4/18/12, 2. Committee Report 4/16/12, 3. Hearing Testimony 4/16/12, 4. Hearing Transcript 4/16/12, 5. Committee Report 5/31/12, 6. Hearing Transcript 5/31/12, 7. Fiscal Impact Statement, 8. Hearing Transcript - Stated Meeting 5-31-12, 9. Local Law 34

Date	Ver.	Action By	Action	Result
4/16/2012	*	Committee on Governmental Operations	Hearing on P-C Item by Comm	
4/16/2012	*	Committee on Governmental Operations	P-C Item Laid Over by Comm	
4/18/2012	*	City Council	Referred to Comm by Council	
4/18/2012	*	City Council	Introduced by Council	
5/31/2012	*	Committee on Governmental Operations	Hearing Held by Committee	
5/31/2012	*	Committee on Governmental Operations	Amendment Proposed by Comm	
5/31/2012	*	Committee on Governmental Operations	Amended by Committee	
5/31/2012	A	Committee on Governmental Operations	Approved by Committee	Pass
5/31/2012	A	City Council	Approved by Council	Pass
5/31/2012	A	City Council	Sent to Mayor by Council	
6/20/2012	A	Mayor	Hearing Held by Mayor	
6/20/2012	A	Mayor	Signed Into Law by Mayor	
6/20/2012	A	City Council	Recved from Mayor by Council	

Int. No. 828-A

By Council Members Brewer, Dickens, James, Lander, Levin, Palma, Rose, Wills, Rodriguez, Chin, Garodnick, Jackson and Barron

A Local Law to amend the administrative code of the city of New York, in relation to the New York city false claims act.

Be it enacted by the Council as follows:

Section 1. Subdivisions 6 and 7 of section 7-802 of the administrative code of the city of New York, as added by local law number 53 for the year 2005, are renumbered 7 and 8, respectively, and a new subdivision 6 is added to read as follows:

6. “Original source” means an individual who either (i) prior to a public disclosure pursuant to paragraph three of subdivision d of section 7-804 of this chapter has voluntarily disclosed to the city the information on which allegations or transactions in a claim are based, or (ii) has knowledge that is independent of and materially adds to the publicly disclosed allegations or transactions, and who has voluntarily provided such information to the city.

§ 2. Paragraph 3 of subdivision d of section 7-804 of the administrative code of the city of New York, as added by local law number 53 for the year 2005, is amended to read as follows:

3. [derived from public disclosure of allegations or transactions in a criminal, civil or administrative hearing, in a legislative or administrative report, hearing, audit or investigation, or upon allegations or transactions disclosed by the news media and likely to be seen by the city officials responsible for addressing false claims, unless the person who submitted the proposed complaint is the primary source of the information] if substantially the same allegations or transactions as alleged in the proposed complaint were publicly disclosed

(i) in a criminal, civil or administrative hearing;

(ii) in a legislative or administrative report, hearing, audit or investigation; or

(iii) by the news media and likely to be seen by the city officials responsible for addressing false claims;

unless the person who submitted the proposed complaint is an original source of the information. The corporation counsel may, in his or her absolute discretion, waive the application of this paragraph.

§ 3. Paragraphs 1 and 2 of subdivision i of section 7-804 of the administrative code of the city of New

York, as added by local law number 53 for the year 2005, are amended to read as follows:

i. Awards from proceeds. 1. If the corporation counsel has elected to commence a civil enforcement action based on a proposed civil complaint, then the person or persons who submitted such proposed civil complaint collectively shall be entitled to receive between [ten] fifteen and twenty-five percent of the proceeds recovered in such civil enforcement action or in settlement of such action. Where the court finds that the action was based primarily on disclosures of specific information (other than information provided by the person bringing the action) relating to allegations or transactions in a criminal, civil or administrative hearing, in a legislative or administrative report, hearing, audit or investigation, or from the news media, the court may award such sums as it considers appropriate, but in no case more than ten percent of the proceeds, taking into account the significance of the information and the role of the person or persons who submitted the proposed civil complaint in advancing the case to litigation.

2. If a person, or such person's attorney has been designated to commence a civil enforcement action based on such person's proposed civil complaint, then such person shall be entitled to receive between [fifteen] twenty-five and thirty percent of the proceeds recovered in such civil enforcement action or in settlement of such action.

§ 4. Section 4 of local law number 53 for the year 2005 is amended to read as follows:

§ 4. This local law shall take effect 90 days after it shall have been enacted into law, and shall apply to claims filed or presented prior to, on or after such date[, and shall remain in effect until the first day of June, 2012 when it shall be deemed repealed; provided, however, that such expiration date shall not apply to any civil enforcement action brought pursuant to section 7-804 of the administrative code of the city of New York that was commenced prior to such date but has not by such date reached a final disposition].

§ 5. This local law shall take effect immediately upon enactment and shall apply to claims filed or presented prior to, on or after such enactment date; provided, however, that section 4 of this local law shall be deemed to be in force and effect on and after June 1, 2012.

LS #3245
SAG
5.16.12