

# HOUSE BILL 867

D3  
HB 509/13 – JUD

4r2238  
CF 4r2422

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By: **Delegates Arora, Afzali, Anderson, Barkley, Bobo, Carter, Clippinger, Conaway, Dumais, Frush, McDermott, Niemann, B. Robinson, Rosenberg, Simmons, Smigiel, Sophocleus, Swain, F. Turner, Valderrama, Vallario, and Waldstreicher**

Introduced and read first time: February 5, 2014

Assigned to: Judiciary

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 12, 2014

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland False Claims Act**

3 FOR the purpose of prohibiting certain actions constituting false claims against a  
4 governmental entity; providing certain penalties for making false claims;  
5 requiring the court to consider and give special attention to certain factors in  
6 determining the amount of fines and penalties provided for in certain provisions  
7 of this Act; providing that this Act does not apply to certain claims, records, or  
8 statements; authorizing a person and a governmental entity to file a civil action  
9 against a person who makes a certain false claim under certain circumstances;  
10 providing for the procedures to be followed in the civil action and for certain  
11 remedies under the action; requiring the governmental entity to investigate a  
12 certain civil action; requiring the governmental entity to make certain efforts to  
13 coordinate certain investigations and to establish a certain objective for the  
14 governmental entity; authorizing the governmental entity to intervene and  
15 proceed with a certain civil action with or without the person who initiated the  
16 action; requiring the court to dismiss the action if the governmental entity  
17 elects not to intervene in the action; authorizing the governmental entity to  
18 pursue certain alternative remedies; providing certain limitations on civil  
19 actions filed under this Act; prohibiting a person from taking retaliatory action  
20 against an employee, a contractor, or an agent under certain circumstances;  
21 authorizing an employee, a contractor, or an agent to file a civil action against a  
22 person who takes retaliatory action against the employee, contractor, or agent

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 under certain circumstances; providing certain remedies for retaliatory action;  
 2 establishing that certain remedies provided under this Act are in addition to  
 3 certain other appropriate legal and equitable relief; requiring the Comptroller to  
 4 deposit a certain penalty or damages into the General Fund of the State;  
 5 requiring the Office of the Attorney General and the attorney for each county  
 6 and Baltimore City to report certain information annually to the General  
 7 Assembly; defining certain terms; providing for a delayed effective date; and  
 8 generally relating to false claims against governmental entities.

9 BY adding to

10 Article – General Provisions

11 Section 8–101 through 8–111 to be under the new title “Title 8. False Claims”

12 Annotated Code of Maryland

13 (As enacted by Chapter \_\_\_\_ (H.B. 270) of the Acts of the General Assembly of  
 14 2014)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
 16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article – General Provisions**

18 **TITLE 8. FALSE CLAIMS.**

19 **8–101.**

20 **(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS**  
 21 **INDICATED.**

22 **(B) (1) “CLAIM” MEANS A REQUEST OR DEMAND, UNDER A CONTRACT**  
 23 **OR OTHERWISE, FOR MONEY OR OTHER PROPERTY, WHETHER OR NOT THE**  
 24 **GOVERNMENTAL ENTITY HAS TITLE TO THE MONEY OR PROPERTY, THAT IS:**

25 **(I) PRESENTED TO AN OFFICER, EMPLOYEE, OR AGENT OF**  
 26 **A GOVERNMENTAL ENTITY; OR**

27 **(II) MADE TO A CONTRACTOR, A GRANTEE, OR ANOTHER**  
 28 **RECIPIENT, IF THE MONEY OR OTHER PROPERTY IS TO BE SPENT OR USED ON A**  
 29 **GOVERNMENTAL ENTITY’S BEHALF OR TO ADVANCE AN INTEREST OF A**  
 30 **GOVERNMENTAL ENTITY, AND THE GOVERNMENTAL ENTITY:**

31 **1. PROVIDES OR HAS PROVIDED ANY PORTION OF**  
 32 **THE MONEY OR OTHER PROPERTY REQUESTED OR DEMANDED; OR**

1                   **2. WILL REIMBURSE THE CONTRACTOR, GRANTEE,**  
2 **OR OTHER RECIPIENT FOR ANY PORTION OF THE MONEY OR OTHER PROPERTY**  
3 **THAT IS REQUESTED OR DEMANDED.**

4                   **(2) “CLAIM” DOES NOT INCLUDE REQUESTS OR DEMANDS FOR**  
5 **MONEY OR OTHER PROPERTY THAT A GOVERNMENTAL ENTITY HAS PAID TO AN**  
6 **INDIVIDUAL AS COMPENSATION FOR EMPLOYMENT OR AS AN INCOME SUBSIDY**  
7 **WITH NO RESTRICTIONS ON THAT INDIVIDUAL’S USE OF THE MONEY OR OTHER**  
8 **PROPERTY.**

9                   **(C) “EMPLOYEE” MEANS AN INDIVIDUAL WHO PERFORMS SERVICES:**

10                   **(1) FOR AND UNDER THE CONTROL AND DIRECTION OF AN**  
11 **EMPLOYER; AND**

12                   **(2) UNDER AN EMPLOYER’S PROMISE OR IMPLIED PROMISE OF**  
13 **PAYMENT OF WAGES OR OTHER REMUNERATION.**

14                   **(D) “EMPLOYER” MEANS A PERSON OR GROUP OF PERSONS THAT,**  
15 **ACTING DIRECTLY OR INDIRECTLY ON BEHALF OF ANOTHER PERSON OR GROUP**  
16 **OF PERSONS:**

17                   **(1) ALLOWS AN EMPLOYEE TO PERFORM SERVICES UNDER THE**  
18 **EMPLOYER’S CONTROL AND DIRECTION; AND**

19                   **(2) PROMISES OR IMPLIES THAT THE EMPLOYEE WILL RECEIVE**  
20 **WAGES OR OTHER REMUNERATION IN PAYMENT FOR THE PERFORMANCE OF**  
21 **THOSE SERVICES.**

22                   **(E) “GOVERNMENTAL ENTITY” MEANS:**

23                   **(1) THE STATE;**

24                   **(2) A COUNTY; OR**

25                   **(3) BALTIMORE CITY.**

26                   **(F) (1) “KNOWING” OR “KNOWINGLY” MEANS, WITH RESPECT TO**  
27 **INFORMATION AND WITHOUT REQUIRING PROOF OF SPECIFIC INTENT TO**  
28 **DEFRAUD, THAT A PERSON:**

29                   **(I) HAS ACTUAL KNOWLEDGE OF THE INFORMATION;**

1                   **(II) ACTS IN DELIBERATE IGNORANCE OF THE TRUTH OR**  
2 **FALSITY OF THE INFORMATION; OR**

3                   **(III) ACTS IN RECKLESS DISREGARD OF THE TRUTH OR**  
4 **FALSITY OF THE INFORMATION.**

5                   **(2) “KNOWING” OR “KNOWINGLY” DOES NOT MEAN, WITH**  
6 **RESPECT TO INFORMATION, THAT A PERSON ACTS IN A MANNER THAT**  
7 **CONSTITUTES A MISTAKE OR NEGLIGENCE.**

8                   **(G) “MATERIAL” MEANS HAVING A NATURAL TENDENCY TO INFLUENCE**  
9 **OR BE CAPABLE OF INFLUENCING THE PAYMENT OR RECEIPT OF MONEY OR**  
10 **OTHER PROPERTY.**

11                   **(H) “OBLIGATION” MEANS AN ESTABLISHED DUTY, WHETHER OR NOT**  
12 **FIXED, ARISING FROM:**

13                   **(1) AN EXPRESS OR IMPLIED:**

14                               **(I) CONTRACTUAL RELATIONSHIP;**

15                               **(II) GRANTOR–GRANTEE RELATIONSHIP; OR**

16                               **(III) LICENSOR–LICENSEE RELATIONSHIP;**

17                   **(2) A FEE–BASED OR SIMILAR RELATIONSHIP;**

18                   **(3) STATUTE OR REGULATION; OR**

19                   **(4) THE RETENTION OF AN OVERPAYMENT.**

20                   **(I) “PUBLIC BODY” MEANS:**

21                               **(1) THE GENERAL ASSEMBLY OR ANY OTHER ELECTED BODY;**

22                               **(2) A MEMBER OR AN EMPLOYEE OF THE GENERAL ASSEMBLY OR**  
23 **ANY OTHER ELECTED BODY;**

24                               **(3) A STATE COURT;**

25                               **(4) A MEMBER OR AN EMPLOYEE OF A STATE COURT;**

26                               **(5) A STATE OR LOCAL REGULATORY, ADMINISTRATIVE, OR**  
27 **PUBLIC AGENCY OR AUTHORITY;**

1           **(6) AN INSTRUMENTALITY OF A STATE OR LOCAL REGULATORY,**  
2 **ADMINISTRATIVE, OR PUBLIC AGENCY OR AUTHORITY;**

3           **(7) A STATE OR LOCAL LAW ENFORCEMENT AGENCY,**  
4 **PROSECUTORIAL OFFICE, OR POLICE OR PEACE OFFICER;**

5           **(8) A STATE OR LOCAL DEPARTMENT OF AN EXECUTIVE BRANCH**  
6 **OF GOVERNMENT; OR**

7           **(9) A DIVISION, A BOARD, A BUREAU, AN OFFICE, A COMMITTEE,**  
8 **OR A COMMISSION OF ANY OF THE PUBLIC BODIES LISTED IN THIS SUBSECTION.**

9           **(J) “RETALIATORY ACTION” MEANS:**

10           **(1) DISCHARGING, SUSPENDING, DEMOTING, THREATENING,**  
11 **HARASSING, OR DISCRIMINATING AGAINST AN EMPLOYEE, A CONTRACTOR, OR**  
12 **AN AGENT; OR**

13           **(2) ANY OTHER ADVERSE ACTION TAKEN AGAINST AN EMPLOYEE,**  
14 **A CONTRACTOR, OR AN AGENT RELATING TO THE CONDITIONS OF**  
15 **EMPLOYMENT, CONTRACT, OR AGENCY.**

16           **(K) “SUPERVISOR” MEANS AN INDIVIDUAL WITHIN AN EMPLOYER’S**  
17 **ORGANIZATION WHO HAS THE AUTHORITY TO:**

18           **(1) DIRECT AND CONTROL THE WORK PERFORMANCE OF AN**  
19 **EMPLOYEE; OR**

20           **(2) TAKE CORRECTIVE ACTION REGARDING THE VIOLATION OF A**  
21 **LAW OR REGULATION THAT IS THE SUBJECT OF A COMPLAINT OR CHARGE**  
22 **UNDER THIS ~~SUBTITLE~~ TITLE.**

23 **8-102.**

24           **(A) THIS SECTION DOES NOT APPLY TO CLAIMS, RECORDS, OR**  
25 **STATEMENTS RELATED TO STATE OR LOCAL TAXES.**

26           ~~(A)~~ **(B) A PERSON MAY NOT:**

27           **(1) KNOWINGLY PRESENT OR CAUSE TO BE PRESENTED A FALSE**  
28 **OR FRAUDULENT CLAIM FOR PAYMENT OR APPROVAL;**

29           **(2) KNOWINGLY MAKE, USE, OR CAUSE TO BE MADE OR USED A**  
30 **FALSE RECORD OR STATEMENT MATERIAL TO A FALSE OR FRAUDULENT CLAIM;**

1           (3) CONSPIRE TO COMMIT A VIOLATION UNDER THIS ~~SUBTITLE~~  
2 TITLE;

3           (4) HAVE POSSESSION, CUSTODY, OR CONTROL OF MONEY OR  
4 OTHER PROPERTY USED OR TO BE USED BY OR ON BEHALF OF A  
5 GOVERNMENTAL ENTITY AND KNOWINGLY DELIVER OR CAUSE TO BE  
6 DELIVERED TO THE GOVERNMENTAL ENTITY LESS THAN ALL OF THAT MONEY  
7 OR OTHER PROPERTY;

8           (5) (I) BE AUTHORIZED TO MAKE OR DELIVER A RECEIPT OR  
9 OTHER DOCUMENT CERTIFYING RECEIPT OF MONEY OR OTHER PROPERTY USED  
10 OR TO BE USED BY A GOVERNMENTAL ENTITY; AND

11                   (II) MAKE OR DELIVER A RECEIPT OR DOCUMENT  
12 INTENDING TO DEFRAUD THE GOVERNMENTAL ENTITY, KNOWING THAT THE  
13 INFORMATION CONTAINED IN THE RECEIPT OR DOCUMENT IS NOT TRUE;

14           (6) KNOWINGLY BUY OR RECEIVE AS A PLEDGE OF AN  
15 OBLIGATION OR A DEBT PUBLICLY OWNED PROPERTY FROM AN OFFICER,  
16 EMPLOYEE, OR AGENT OF A GOVERNMENTAL ENTITY WHO LAWFULLY MAY NOT  
17 SELL OR PLEDGE THE PROPERTY;

18           (7) KNOWINGLY MAKE, USE, OR CAUSE TO BE MADE OR USED A  
19 FALSE RECORD OR STATEMENT MATERIAL TO AN OBLIGATION TO PAY OR  
20 TRANSMIT MONEY OR OTHER PROPERTY TO A GOVERNMENTAL ENTITY;

21           (8) KNOWINGLY CONCEAL, OR KNOWINGLY AND IMPROPERLY  
22 AVOID OR DECREASE, AN OBLIGATION TO PAY OR TRANSMIT MONEY OR OTHER  
23 PROPERTY TO A GOVERNMENTAL ENTITY, INCLUDING MISREPRESENTING THE  
24 TIME AT WHICH A TRADE WAS MADE TO MAKE THE TRANSACTION APPEAR LESS  
25 FAVORABLE; OR

26           (9) KNOWINGLY MAKE ANY OTHER FALSE OR FRAUDULENT CLAIM  
27 AGAINST A GOVERNMENTAL ENTITY.

28           ~~(B)~~ (C) (1) A PERSON THAT IS FOUND TO HAVE VIOLATED  
29 SUBSECTION ~~(A)~~ (B) OF THIS SECTION IS LIABLE TO THE GOVERNMENTAL  
30 ENTITY FOR:

31                   (I) A CIVIL PENALTY OF NOT MORE THAN \$10,000 FOR  
32 EACH VIOLATION; AND

1                   (II) AN ADDITIONAL AMOUNT OF NOT MORE THAN THREE  
2 TIMES THE AMOUNT OF DAMAGES THAT THE GOVERNMENTAL ENTITY SUSTAINS  
3 AS A RESULT OF THE ACTS OF THAT PERSON IN VIOLATION OF SUBSECTION ~~(A)~~  
4 (B) OF THIS SECTION.

5                   (2) THE TOTAL AMOUNT OWED BY A PERSON UNDER PARAGRAPH  
6 (1) OF THIS SUBSECTION MAY NOT BE LESS THAN THE AMOUNT OF THE ACTUAL  
7 DAMAGES THE GOVERNMENTAL ENTITY INCURS AS A RESULT OF THE PERSON'S  
8 VIOLATION OF SUBSECTION ~~(A)~~ (B) OF THIS SECTION.

9                   ~~(C)~~ (D) IN DETERMINING THE APPROPRIATE AMOUNT OF FINES AND  
10 DAMAGES UNDER SUBSECTION ~~(B)~~ (C) OF THIS SECTION, THE COURT SHALL  
11 CONSIDER:

12                   (1) THE NUMBER, NATURE, AND SEVERITY OF THE VIOLATIONS OF  
13 THIS SUBTITLE FOR WHICH THE PERSON HAS BEEN FOUND LIABLE;

14                   (2) THE NUMBER, NATURE, AND SEVERITY OF ANY PREVIOUS  
15 VIOLATIONS OF THIS ~~SUBTITLE~~ TITLE;

16                   (3) THE DEGREE OF LOSS SUFFERED BY THE GOVERNMENTAL  
17 ENTITY;

18                   (4) THE PERSON'S HISTORY OF BILLING COMPLIANCE;

19                   (5) WHETHER THE PERSON HAS A COMPLIANCE PROGRAM IN  
20 PLACE;

21                   (6) THE EXTENT TO WHICH THE PERSON HAS TAKEN STEPS TO  
22 ADDRESS AND CORRECT THE VIOLATION SINCE THE PERSON BECAME AWARE OF  
23 THE VIOLATION;

24                   (7) ANY FUNDS PREVIOUSLY RETURNED TO THE GOVERNMENTAL  
25 ENTITY IN COMPLIANCE WITH FEDERAL REQUIREMENTS REGARDING  
26 OVERPAYMENTS, TO THE EXTENT THE FUNDS REPRESENTED LOSSES TO THE  
27 GOVERNMENTAL ENTITY CAUSED BY THE VIOLATION;

28                   (8) (I) WHETHER THE PERSON SELF-REPORTED THE  
29 VIOLATION;

30                                   (II) THE TIMELINESS OF THE SELF-REPORTING;

31                                   (III) THE EXTENT TO WHICH THE PERSON OTHERWISE  
32 COOPERATED IN THE INVESTIGATION OF THE VIOLATION; AND

1 (IV) THE EXTENT TO WHICH THE PERSON HAD PRIOR  
2 KNOWLEDGE OF AN INVESTIGATION OR OTHER ACTION RELATING TO THE  
3 VIOLATION; AND

4 (9) ANY OTHER FACTOR AS JUSTICE REQUIRES.

5 ~~(D)~~ (E) THE PENALTIES PROVIDED IN SUBSECTION ~~(B)~~ (C) OF THIS  
6 SECTION ARE IN ADDITION TO ANY CRIMINAL, CIVIL, OR ADMINISTRATIVE  
7 PENALTIES PROVIDED UNDER ANY OTHER STATE OR FEDERAL STATUTE OR  
8 REGULATION.

9 8-103.

10 (A) IF A GOVERNMENTAL ENTITY FINDS THAT A PERSON HAS VIOLATED  
11 OR IS VIOLATING § 8-102 OF THIS TITLE, THE GOVERNMENTAL ENTITY MAY FILE  
12 A CIVIL ACTION IN A COURT OF COMPETENT JURISDICTION WITHIN THE STATE  
13 AGAINST THE PERSON.

14 (B) IN FILING A CIVIL ACTION UNDER THIS SECTION, THE  
15 GOVERNMENTAL ENTITY MAY SEEK:

16 (1) THE PENALTIES PROVIDED UNDER § ~~8-102(B)~~ 8-102(C) OF  
17 THIS TITLE; AND

18 (2) SUBJECT TO THE GUIDELINES SET FORTH IN § 8-105(A)(4) OF  
19 THIS TITLE, COURT COSTS AND ATTORNEY'S FEES.

20 (C) A GOVERNMENTAL ENTITY MAY NOT MAINTAIN AN ACTION UNDER  
21 THIS SECTION IF THE GOVERNMENTAL ENTITY HAS FILED A CIVIL ACTION  
22 BASED ON THE SAME UNDERLYING ACT UNDER § 2-603 OF THE HEALTH -  
23 GENERAL ARTICLE OR HAS SOUGHT ENFORCEMENT BY THE ATTORNEY  
24 GENERAL UNDER § 11-205 OR § 11-205.1 OF THE STATE FINANCE AND  
25 PROCUREMENT ARTICLE.

26 8-104.

27 (A) (1) (i) A PERSON MAY FILE A CIVIL ACTION ON BEHALF OF THE  
28 PERSON AND THE GOVERNMENTAL ENTITY IN A COURT OF COMPETENT  
29 JURISDICTION WITHIN THE STATE AGAINST A PERSON WHO HAS ACTED OR IS  
30 ACTING IN VIOLATION OF § 8-102 OF THIS TITLE.



1                   **(II) A CIVIL ACTION FILED UNDER SUBPARAGRAPH (I) OF**  
2 **THIS PARAGRAPH SHALL BE BROUGHT IN THE NAME OF THE GOVERNMENTAL**  
3 **ENTITY.**

4                   **(2) A PERSON FILING AN ACTION UNDER THIS SECTION MAY**  
5 **SEEK:**

6                   **(I) THE PENALTIES PROVIDED UNDER § ~~8-102(B)~~ 8-102(C)**  
7 **OF THIS ~~SUBTITLE~~ TITLE; AND**

8                   **(II) SUBJECT TO THE GUIDELINES SET FORTH IN §**  
9 **8-105(A)(4) OF THIS TITLE, COURT COSTS AND ATTORNEY'S FEES.**

10                   **(3) (I) THE PERSON SHALL SERVE ON THE GOVERNMENTAL**  
11 **ENTITY A COPY OF THE COMPLAINT AND A WRITTEN DISCLOSURE OF**  
12 **SUBSTANTIALLY ALL MATERIAL EVIDENCE AND INFORMATION THAT THE**  
13 **PERSON POSSESSES, IN ACCORDANCE WITH THE PROVISIONS OF TITLE 2 OF**  
14 **THE MARYLAND RULES FOR SERVING PROCESS ON THE STATE OR A LOCAL**  
15 **ENTITY.**

16                   **(II) 1. THE COMPLAINT SHALL BE FILED IN CAMERA AND**  
17 **SHALL REMAIN UNDER SEAL FOR AT LEAST 60 DAYS.**

18                                   **2. THE COMPLAINT MAY NOT BE SERVED ON THE**  
19 **DEFENDANT UNTIL THE COMPLAINT IS UNSEALED AND THE COURT ORDERS THE**  
20 **COMPLAINT SERVED.**

21                                   **3. WITHIN 60 DAYS AFTER THE GOVERNMENTAL**  
22 **ENTITY IS SERVED WITH THE COMPLAINT AND THE MATERIAL EVIDENCE AND**  
23 **INFORMATION, THE GOVERNMENTAL ENTITY MAY ELECT TO INTERVENE AND**  
24 **PROCEED WITH THE ACTION.**

25                   **(4) (I) FOR GOOD CAUSE SHOWN, THE GOVERNMENTAL ENTITY**  
26 **MAY MOVE THE COURT FOR EXTENSIONS OF THE TIME DURING WHICH THE**  
27 **COMPLAINT REMAINS UNDER SEAL UNDER PARAGRAPH (3)(II)1 OF THIS**  
28 **SUBSECTION.**

29                   **(II) ANY MOTIONS MADE UNDER SUBPARAGRAPH (I) OF**  
30 **THIS PARAGRAPH MAY BE SUPPORTED BY AFFIDAVITS OR OTHER SUBMISSIONS**  
31 **IN CAMERA.**

32                   **(5) (I) THE DEFENDANT MAY NOT BE REQUIRED TO ANSWER A**  
33 **COMPLAINT FILED UNDER THIS SECTION UNTIL AFTER THE COMPLAINT IS:**

1                   1.     UNSEALED AND ORDERED BY THE COURT TO BE  
2 SERVED; AND

3                   2.     SERVED ON THE DEFENDANT IN ACCORDANCE  
4 WITH TITLE 2 OF THE MARYLAND RULES.

5                   (ii)    WHEN ANSWERING A COMPLAINT FILED UNDER THIS  
6 SECTION, A DEFENDANT SHALL FOLLOW THE TIME FRAMES AND OTHER  
7 PROVISIONS FOR FILING ANSWERS TO A COMPLAINT AS REQUIRED UNDER  
8 TITLE 2, CHAPTER 300 OF THE MARYLAND RULES.

9                   (iii)   DURING THE PERIOD IN WHICH THE COMPLAINT IS  
10 UNDER SEAL, IF THE GOVERNMENTAL ENTITY'S INVESTIGATION REVEALS THAT  
11 THE ACT, TRANSACTION, OR OCCURRENCE THAT GAVE RISE TO THE ALLEGED  
12 VIOLATION OF THIS TITLE IS REASONABLY LIKELY TO BE CONTINUING, THE  
13 GOVERNMENTAL ENTITY SHALL NOTIFY THE DEFENDANT AS SOON AS  
14 PRACTICABLE WITHOUT JEOPARDIZING THE COURSE AND CONDUCT OF THE  
15 GOVERNMENTAL ENTITY'S OR THE FEDERAL GOVERNMENT'S INVESTIGATION OF  
16 THE VIOLATION, COMPROMISING THE DEVELOPMENT OF EVIDENCE, OR  
17 VIOLATING ANY STATE OR FEDERAL LAW.

18                  (6)    BEFORE THE LATER OF THE EXPIRATION OF THE 60-DAY  
19 PERIOD DURING WHICH THE COMPLAINT REMAINS UNDER SEAL UNDER  
20 PARAGRAPH (3)(ii)1 OF THIS SUBSECTION OR ANY EXTENSION OF THE 60-DAY  
21 PERIOD OBTAINED UNDER PARAGRAPH (4) OF THIS SUBSECTION, THE  
22 GOVERNMENTAL ENTITY SHALL:

23                   (i)    INTERVENE AND PROCEED WITH THE ACTION IN A  
24 COURT OF COMPETENT JURISDICTION WITHIN THE STATE; OR

25                   (ii)   NOTIFY THE COURT THAT IT WILL NOT INTERVENE AND  
26 PROCEED WITH THE ACTION.

27                  (7)    IF THE GOVERNMENTAL ENTITY DOES NOT ELECT TO  
28 INTERVENE AND PROCEED WITH THE ACTION UNDER PARAGRAPH (6) OF THIS  
29 SUBSECTION, BEFORE UNSEALING THE COMPLAINT, THE COURT SHALL DISMISS  
30 THE ACTION.

31                  (8)    IF A PERSON INITIATES AN ACTION UNDER THIS SECTION, NO  
32 PERSON OTHER THAN THE GOVERNMENTAL ENTITY MAY INTERVENE IN THE  
33 ACTION OR INITIATE A RELATED ACTION BASED ON THE FACTS UNDERLYING  
34 THE PENDING ACTION.

1           **(B) (1) IF THE GOVERNMENTAL ENTITY INTERVENES AND PROCEEDS**  
2 **WITH THE ACTION UNDER SUBSECTION (A)(6)(I) OF THIS SECTION:**

3                   **(I) THE GOVERNMENTAL ENTITY SHALL HAVE THE**  
4 **PRIMARY RESPONSIBILITY FOR PROCEEDING WITH THE ACTION AND MAY NOT**  
5 **BE BOUND BY ANY ACT OF THE PERSON WHO INITIATED THE ACTION; AND**

6                   **(II) SUBJECT TO PARAGRAPHS (3) THROUGH (6) OF THIS**  
7 **SUBSECTION, THE PERSON WHO INITIATED THE ACTION MAY CONTINUE AS A**  
8 **PARTY TO THE ACTION.**

9           **(2) (I) DURING AN INVESTIGATION BY THE GOVERNMENTAL**  
10 **ENTITY CONDUCTED EITHER INDEPENDENTLY OR IN CONJUNCTION WITH A**  
11 **CIVIL ACTION FILED UNDER THIS TITLE, THE GOVERNMENTAL ENTITY SHALL**  
12 **HAVE THE SAME RIGHTS OF DISCOVERY AS A CIVIL LITIGANT IN THE CIRCUIT**  
13 **COURT UNDER TITLE 2, CHAPTER 400 OF THE MARYLAND RULES.**

14                   **(II) A PERSON FROM WHOM THE GOVERNMENTAL ENTITY**  
15 **SEEKS DISCOVERY SHALL BE CONSIDERED A PARTY UNDER TITLE 2, CHAPTER**  
16 **400 OF THE MARYLAND RULES.**

17           **(3) (I) NOTWITHSTANDING THE OBJECTIONS OF THE PERSON**  
18 **INITIATING THE ACTION, THE GOVERNMENTAL ENTITY MAY ELECT AT ANY**  
19 **POINT TO WITHDRAW ITS INTERVENTION AS A PARTY TO THE ACTION.**

20                   **(II) IF THE GOVERNMENTAL ENTITY ELECTS TO WITHDRAW**  
21 **AS A PARTY TO THE ACTION:**

22                           **1. THE GOVERNMENTAL ENTITY SHALL NOTIFY THE**  
23 **COURT AND THE PARTY INITIATING THE ACTION; AND**

24                           **2. THE COURT SHALL DISMISS THE ACTION.**

25           **(4) NOTWITHSTANDING THE OBJECTIONS OF THE PERSON**  
26 **INITIATING THE ACTION, IF THE COURT DETERMINES AFTER A HEARING THAT A**  
27 **PROPOSED SETTLEMENT IS FAIR, ADEQUATE, AND REASONABLE UNDER THE**  
28 **CIRCUMSTANCES, THE GOVERNMENTAL ENTITY MAY SETTLE A CIVIL ACTION**  
29 **FILED UNDER THIS SECTION.**

30           **(5) ON MOTION OF THE GOVERNMENTAL ENTITY OR THE**  
31 **DEFENDANT OR ON THE COURT'S OWN MOTION, THE COURT MAY IMPOSE**  
32 **LIMITATIONS ON THE PARTICIPATION OF THE PERSON INITIATING AN ACTION**  
33 **UNDER THIS SECTION IF:**

1                   **(I) THE GOVERNMENTAL ENTITY SHOWS THAT THE**  
2 **PERSON'S UNRESTRICTED PARTICIPATION IN THE ACTION WOULD:**

3                   **1. INTERFERE WITH OR UNDULY DELAY THE**  
4 **GOVERNMENTAL ENTITY IN ITS PURSUIT OF THE CIVIL ACTION; OR**

5                   **2. BE REPETITIOUS, IRRELEVANT, OR HARASSING TO**  
6 **THE DEFENDANT; OR**

7                   **(II) THE DEFENDANT SHOWS THAT UNRESTRICTED**  
8 **PARTICIPATION BY THE PERSON INITIATING THE ACTION WOULD HARASS THE**  
9 **DEFENDANT OR CAUSE THE DEFENDANT UNDUE BURDEN OR UNNECESSARY**  
10 **EXPENSE.**

11                   **(6) LIMITATIONS IMPOSED BY THE COURT UNDER PARAGRAPH**  
12 **(5) OF THIS SUBSECTION MAY INCLUDE:**

13                   **(I) A LIMITATION ON THE NUMBER OF WITNESSES THE**  
14 **PERSON MAY CALL TO TESTIFY;**

15                   **(II) A LIMITATION ON THE LENGTH OF THE TESTIMONY OF**  
16 **WITNESSES CALLED BY THE PERSON;**

17                   **(III) A LIMITATION ON THE PERSON'S CROSS-EXAMINATION**  
18 **OF WITNESSES; OR**

19                   **(IV) A LIMITATION ON THE PARTICIPATION OF THE PERSON**  
20 **IN THE LITIGATION.**

21                   **(C) (1) INSTEAD OF PROCEEDING WITH A CIVIL ACTION FILED UNDER**  
22 **THIS TITLE, THE GOVERNMENTAL ENTITY MAY PURSUE ANY ALTERNATIVE**  
23 **REMEDY AVAILABLE TO THE GOVERNMENTAL ENTITY, INCLUDING ANY**  
24 **APPROPRIATE ADMINISTRATIVE PROCEEDING TO DETERMINE A CIVIL MONEY**  
25 **PENALTY.**

26                   **(2) IF THE GOVERNMENTAL ENTITY SEEKS AN ALTERNATIVE**  
27 **REMEDY IN ANOTHER PROCEEDING AFTER INTERVENING IN A CIVIL ACTION**  
28 **FILED UNDER THIS SECTION, THE PERSON INITIATING THE ACTION SHALL HAVE**  
29 **THE SAME RIGHTS IN THE ALTERNATIVE PROCEEDING AS THE PERSON WOULD**  
30 **HAVE HAD IF THE CIVIL ACTION HAD CONTINUED UNDER THIS SECTION.**

31                   **(3) (I) A FINDING OF FACT OR CONCLUSION OF LAW MADE IN**  
32 **ANY ALTERNATIVE PROCEEDING THAT HAS BECOME FINAL SHALL BE**  
33 **CONCLUSIVE ON ALL PARTIES TO AN ACTION FILED UNDER THIS TITLE.**

1                   **(II) FOR PURPOSES OF SUBPARAGRAPH (I) OF THIS**  
2 **PARAGRAPH, A FINDING OR CONCLUSION IS FINAL IF:**

3                   **1. IT HAS BEEN FINALLY DETERMINED ON APPEAL**  
4 **TO THE APPROPRIATE COURT OF THE STATE;**

5                   **2. ALL TIME FOR FILING THE APPEAL WITH RESPECT**  
6 **TO THE FINDING OR CONCLUSION HAS EXPIRED; OR**

7                   **3. THE FINDING OR CONCLUSION IS NOT SUBJECT TO**  
8 **JUDICIAL REVIEW.**

9                   **(D) (1) ON A SHOWING IN CAMERA BY THE GOVERNMENTAL ENTITY**  
10 **THAT CERTAIN ACTIONS OF DISCOVERY BY THE PERSON INITIATING THE**  
11 **ACTION WOULD INTERFERE WITH THE GOVERNMENTAL ENTITY'S**  
12 **INVESTIGATION OR PROSECUTION OF A CRIMINAL OR CIVIL MATTER ARISING**  
13 **OUT OF THE SAME FACTS, THE COURT MAY STAY THE DISCOVERY FOR A PERIOD**  
14 **OF NOT MORE THAN 60 DAYS.**

15                   **(2) THE COURT MAY EXTEND THE 60-DAY PERIOD ON A FURTHER**  
16 **SHOWING IN CAMERA THAT:**

17                   **(I) THE GOVERNMENTAL ENTITY HAS PURSUED THE**  
18 **CRIMINAL OR CIVIL INVESTIGATION OR PROCEEDING WITH REASONABLE**  
19 **DILIGENCE; AND**

20                   **(II) ANY PROPOSED DISCOVERY IN THE CIVIL ACTION WILL**  
21 **INTERFERE WITH THE ONGOING CRIMINAL OR CIVIL INVESTIGATION OR**  
22 **PROCEEDING.**

23 **8-105.**

24                   **(A) (1) IF THE GOVERNMENTAL ENTITY INTERVENES AND PROCEEDS**  
25 **WITH AN ACTION FILED UNDER § 8-104 OF THIS TITLE AND THE**  
26 **GOVERNMENTAL ENTITY PREVAILS, THE COURT SHALL AWARD THE PERSON**  
27 **INITIATING THE ACTION AN AMOUNT THAT IS:**

28                   **(I) NOT LESS THAN 15% AND NOT MORE THAN 25% OF THE**  
29 **PROCEEDS OF THE ACTION OR SETTLEMENT OF THE CLAIM; AND**

30                   **(II) PROPORTIONAL TO THE AMOUNT OF TIME AND EFFORT**  
31 **THAT THE PERSON SUBSTANTIALLY CONTRIBUTED TO THE FINAL RESOLUTION**  
32 **OF THE CIVIL ACTION.**

1           **(2) (I) IF THE COURT FINDS THAT THE ACTION IS BASED**  
2 **PRIMARILY ON DISCLOSURES OF SPECIFIC INFORMATION RELATING TO**  
3 **ALLEGATIONS OR TRANSACTIONS IN A CRIMINAL, A CIVIL, OR AN**  
4 **ADMINISTRATIVE HEARING, IN A LEGISLATIVE OR AN ADMINISTRATIVE REPORT,**  
5 **A HEARING, AN AUDIT, OR AN INVESTIGATION, OR FROM THE NEWS MEDIA, THE**  
6 **COURT MAY MAKE AN AWARD TO THE PERSON INITIATING THE ACTION THAT:**

7                   **1. THE COURT CONSIDERS APPROPRIATE, TAKING**  
8 **INTO ACCOUNT THE SIGNIFICANCE OF THE INFORMATION AND THE ROLE OF**  
9 **THE PERSON INITIATING THE ACTION IN ADVANCING THE CASE TO LITIGATION;**  
10 **AND**

11                   **2. DOES NOT EXCEED 10% OF THE PROCEEDS OF**  
12 **THE ACTION.**

13                   **(II) THE INFORMATION DESCRIBED IN SUBPARAGRAPH (I)**  
14 **OF THIS PARAGRAPH DOES NOT INCLUDE INFORMATION DISCLOSED AND**  
15 **PROVIDED BY THE PERSON INITIATING THE ACTION.**

16           **(3) ANY PAYMENT TO A PERSON UNDER PARAGRAPH (1) OR (2) OF**  
17 **THIS SUBSECTION SHALL BE MADE FROM THE PROCEEDS OF THE ACTION.**

18           **(4) (I) IN ADDITION TO THE AMOUNT PROVIDED UNDER**  
19 **PARAGRAPHS (1) AND (2) OF THIS SUBSECTION, A COURT MAY AWARD THE**  
20 **PERSON INITIATING THE ACTION:**

21                   **1. AN AMOUNT FOR REASONABLE EXPENSES THAT**  
22 **THE COURT FINDS TO HAVE BEEN NECESSARILY INCURRED; AND**

23                   **2. REASONABLE ATTORNEY'S FEES AND COSTS.**

24                   **(II) IN DETERMINING THE AMOUNT OF ANY AWARD UNDER**  
25 **SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE COURT SHALL CONSIDER THE**  
26 **AMOUNT OF ANY PENALTIES AND DAMAGES RECOVERED IN THE ACTION AND**  
27 **ANY OTHER FACTOR AS JUSTICE MAY REQUIRE.**

28                   **(III) ANY EXPENSES, FEES, AND COSTS AWARDED UNDER**  
29 **THIS PARAGRAPH SHALL BE AWARDED AGAINST THE DEFENDANT.**

30           **(B) (1) IF A COURT FINDS THAT THE ACTION IS INITIATED BY A**  
31 **PERSON WHO PLANNED AND INITIATED OR OTHERWISE DELIBERATELY**  
32 **PARTICIPATED IN THE VIOLATION ON WHICH THE ACTION WAS BASED, THE**  
33 **COURT MAY, TO THE EXTENT IT CONSIDERS APPROPRIATE, REDUCE THE SHARE**

1 OF THE PROCEEDS OF THE ACTION THAT THE PERSON OTHERWISE WOULD HAVE  
2 RECEIVED UNDER THIS SECTION.

3 (2) IN REDUCING THE SHARE OF THE PROCEEDS OF THE PERSON  
4 INITIATING THE ACTION UNDER THIS SUBSECTION, THE COURT SHALL  
5 CONSIDER:

6 (I) THE ROLE OF THE PERSON IN ADVANCING THE CASE TO  
7 LITIGATION; AND

8 (II) ANY RELEVANT CIRCUMSTANCES RELATING TO THE  
9 UNDERLYING VIOLATION.

10 (3) (I) IF THE PERSON INITIATING A CIVIL ACTION UNDER §  
11 8-104 OF THIS TITLE IS CONVICTED OF CRIMINAL CONDUCT ARISING FROM THE  
12 PERSON'S PARTICIPATION IN THE VIOLATION ON WHICH THE ACTION WAS  
13 BASED PRIOR TO A FINAL DETERMINATION OF THE ACTION, THE PERSON:

14 1. SHALL BE DISMISSED FROM THE ACTION; AND

15 2. MAY NOT RECEIVE ANY SHARE OF THE PROCEEDS  
16 OF THE ACTION.

17 (II) THE DISMISSAL OF THE PERSON INITIATING THE  
18 ACTION IN ACCORDANCE WITH THIS PARAGRAPH DOES NOT PREJUDICE THE  
19 RIGHT OF THE GOVERNMENTAL ENTITY TO CONTINUE THE ACTION.

20 (4) IF THE PERSON INITIATING A CIVIL ACTION UNDER § 8-104 OF  
21 THIS TITLE IS CONVICTED OF CRIMINAL CONDUCT ARISING FROM THE PERSON'S  
22 PARTICIPATION IN THE VIOLATION ON WHICH THE ACTION WAS BASED AFTER  
23 THE PROCEEDS FROM THE ACTION ARE AWARDED TO THAT PERSON, THE COURT  
24 SHALL ORDER THE PERSON TO REPAY THE PROCEEDS PREVIOUSLY AWARDED.

25 (C) A COURT MAY AWARD REASONABLE ATTORNEY'S FEES AND  
26 EXPENSES TO A DEFENDANT AND AGAINST THE PERSON INITIATING THE ACTION  
27 IF:

28 (1) THE DEFENDANT PREVAILS IN THE ACTION; AND

29 (2) THE COURT FINDS THAT THE CLAIM OF THE PERSON  
30 INITIATING THE ACTION WAS BROUGHT PRIMARILY FOR PURPOSES OF  
31 HARASSMENT OR OTHERWISE WAS BROUGHT IN BAD FAITH.

32 8-106.

1           **(A) NO COURT IN THIS STATE SHALL HAVE JURISDICTION OVER AN**  
2 **ACTION FILED UNDER § 8-104 OF THIS TITLE AGAINST ANY MEMBER OF THE**  
3 **LEGISLATIVE BRANCH OR THE JUDICIARY OF THE STATE, ANY MEMBER OF THE**  
4 **GOVERNOR'S EXECUTIVE COUNCIL, THE ATTORNEY GENERAL, THE**  
5 **COMPTROLLER, OR THE STATE TREASURER IF THE ACTION IS BASED ON**  
6 **EVIDENCE OR INFORMATION KNOWN TO THE GOVERNMENTAL ENTITY WHEN**  
7 **THE ACTION WAS FILED.**

8           **(B) A CIVIL ACTION MAY NOT BE BROUGHT UNDER THIS TITLE BY A**  
9 **PERSON WHO IS OR WAS A PUBLIC EMPLOYEE OR PUBLIC OFFICIAL IF THE**  
10 **ALLEGATIONS OF THE ACTION ARE BASED SUBSTANTIALLY ON:**

11                 **(1) ALLEGATIONS OF WRONGDOING OR MISCONDUCT THAT THE**  
12 **PERSON HAD A DUTY OR OBLIGATION TO REPORT OR INVESTIGATE WITHIN THE**  
13 **SCOPE OF THE PERSON'S PUBLIC EMPLOYMENT OR OFFICE; OR**

14                 **(2) INFORMATION OR RECORDS TO WHICH THE PERSON HAD**  
15 **ACCESS AS A RESULT OF THE PERSON'S PUBLIC EMPLOYMENT OR OFFICE.**

16           **(C) A PERSON MAY NOT BRING AN ACTION UNDER § 8-104 OF THIS**  
17 **TITLE THAT IS BASED ON ALLEGATIONS OR TRANSACTIONS THAT ARE THE**  
18 **SUBJECT OF A CIVIL ACTION OR AN ADMINISTRATIVE CIVIL MONEY PENALTY**  
19 **PROCEEDING IN WHICH THE GOVERNMENTAL ENTITY IS ALREADY A PARTY.**

20           **(D) (1) EXCEPT AS PROVIDED IN PARAGRAPHS (2) AND (3) OF THIS**  
21 **SUBSECTION, NO COURT IN THIS STATE SHALL HAVE JURISDICTION OVER AN**  
22 **ACTION FILED UNDER § 8-104 OF THIS TITLE THAT IS BASED ON THE PUBLIC**  
23 **DISCLOSURE OF ALLEGATIONS OR TRANSACTIONS:**

24                         **(I) IN A CRIMINAL, A CIVIL, OR AN ADMINISTRATIVE**  
25 **HEARING;**

26                         **(II) IN A LEGISLATIVE OR AN ADMINISTRATIVE REPORT, A**  
27 **HEARING, AN AUDIT, OR AN INVESTIGATION; OR**

28                         **(III) FROM THE NEWS MEDIA.**

29           **(2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT APPLY IF**  
30 **THE ACTION IS INITIATED BY A PERSON THAT:**

31                         **(I) HAS DIRECT AND INDEPENDENT KNOWLEDGE OF THE**  
32 **INFORMATION ON WHICH THE ALLEGATIONS ARE BASED; AND**



1           **(II) HAS VOLUNTARILY PROVIDED THE INFORMATION TO**  
2 **THE GOVERNMENTAL ENTITY BEFORE FILING AN ACTION UNDER § 8-104 OF**  
3 **THIS TITLE THAT IS BASED ON THE INFORMATION.**

4           **(3) A GOVERNMENTAL ENTITY, THROUGH THE ATTORNEY**  
5 **GENERAL, MAY FILE A CIVIL ACTION UNDER § 8-103 OF THIS TITLE BASED ON A**  
6 **PUBLIC DISCLOSURE DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION.**

7           **(E) THE GOVERNMENTAL ENTITY IS NOT LIABLE FOR EXPENSES THAT A**  
8 **PERSON INCURS IN BRINGING AN ACTION UNDER § 8-104 OF THIS TITLE.**

9           **(F) A PERSON THAT IS OR WAS EMPLOYED BY THE STATE, A LOCAL**  
10 **GOVERNMENT, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE AS AN**  
11 **AUDITOR, AN INVESTIGATOR, AN ATTORNEY, A FINANCIAL OFFICER, OR A**  
12 **CONTRACTING OFFICER MAY NOT BRING AN ACTION UNDER § 8-104 OF THIS**  
13 **TITLE THAT IS BASED ON ALLEGATIONS OR TRANSACTIONS THAT THE PERSON**  
14 **DISCOVERED OR LEARNED OF WHILE ACTING IN THE PERSON'S CAPACITY AS AN**  
15 **AUDITOR, AN INVESTIGATOR, AN ATTORNEY, A FINANCIAL OFFICER, OR A**  
16 **CONTRACTING OFFICER FOR THE STATE, LOCAL GOVERNMENT, OR OTHER**  
17 **POLITICAL SUBDIVISION OF THE STATE.**

18 **8-107.**

19           **(A) A PERSON MAY NOT TAKE A RETALIATORY ACTION AGAINST AN**  
20 **EMPLOYEE, A CONTRACTOR, OR A GRANTEE BECAUSE THE EMPLOYEE,**  
21 **CONTRACTOR, OR GRANTEE:**

22           **(1) ACTS LAWFULLY IN FURTHERANCE OF AN ACTION FILED**  
23 **UNDER THIS TITLE, INCLUDING AN INVESTIGATION FOR, INITIATION OF,**  
24 **TESTIMONY FOR, OR ASSISTANCE IN AN ACTION FILED OR TO BE FILED UNDER**  
25 **THIS TITLE;**

26           **(2) DISCLOSES OR THREATENS TO DISCLOSE TO A SUPERVISOR**  
27 **OR TO A PUBLIC BODY AN ACTIVITY, A POLICY, OR A PRACTICE OF THE PERSON**  
28 **THAT THE EMPLOYEE, CONTRACTOR, OR GRANTEE REASONABLY BELIEVES IS IN**  
29 **VIOLATION OF § 8-102 OF THIS TITLE OR A REGULATION ADOPTED UNDER THIS**  
30 **TITLE;**

31           **(3) PROVIDES INFORMATION TO, OR TESTIFIES BEFORE, A PUBLIC**  
32 **BODY CONDUCTING AN INVESTIGATION, A HEARING, OR AN INQUIRY INTO A**  
33 **VIOLATION OF § 8-102 OF THIS TITLE OR A REGULATION ADOPTED UNDER THIS**  
34 **TITLE THAT IS ALLEGEDLY OR ACTUALLY COMMITTED BY THE PERSON; OR**

1           **(4) OBJECTS TO OR REFUSES TO PARTICIPATE IN ANY ACTIVITY,**  
2 **POLICY, OR PRACTICE THAT THE EMPLOYEE, CONTRACTOR, OR GRANTEE**  
3 **REASONABLY BELIEVES IS IN VIOLATION OF § 8-102 OF THIS TITLE OR A**  
4 **REGULATION ADOPTED UNDER THIS TITLE.**

5           **(B) (1) AN EMPLOYEE, A CONTRACTOR, OR A GRANTEE MAY FILE A**  
6 **CIVIL ACTION AGAINST A PERSON OTHER THAN A SUPERVISOR IN STATE**  
7 **GOVERNMENT, AN APPOINTING AUTHORITY IN STATE GOVERNMENT, OR THE**  
8 **HEAD OF A PRINCIPAL UNIT IN STATE GOVERNMENT IF THE PERSON TAKES A**  
9 **RETALIATORY ACTION AGAINST THE EMPLOYEE, CONTRACTOR, OR GRANTEE IN**  
10 **VIOLATION OF SUBSECTION (A) OF THIS SECTION.**

11           **(2) THE EMPLOYEE, CONTRACTOR, OR GRANTEE MAY SEEK IN**  
12 **THE CIVIL ACTION:**

13                   **(I) AN INJUNCTION TO RESTRAIN A CONTINUING**  
14 **VIOLATION OF SUBSECTION (A) OF THIS SECTION;**

15                   **(II) REINSTATEMENT TO THE SAME SENIORITY STATUS**  
16 **HELD BEFORE THE RETALIATORY ACTION;**

17                   **(III) REINSTATEMENT OF FULL FRINGE BENEFITS AND**  
18 **SENIORITY RIGHTS;**

19                   **(IV) TWO TIMES THE AMOUNT OF LOST WAGES, BENEFITS,**  
20 **AND OTHER REMUNERATION, INCLUDING ANY INTEREST ACCUMULATED;**

21                   **(V) PAYMENT BY THE PERSON OF REASONABLE COSTS AND**  
22 **ATTORNEY'S FEES;**

23                   **(VI) PUNITIVE DAMAGES;**

24                   **(VII) AN ASSESSMENT OF A CIVIL PENALTY:**

25                           **1. NOT EXCEEDING \$1,000 FOR THE FIRST**  
26 **VIOLATION; AND**

27                           **2. NOT EXCEEDING \$5,000 FOR EACH SUBSEQUENT**  
28 **VIOLATION; AND**

29                   **(VIII) ANY OTHER RELIEF NECESSARY TO MAKE THE**  
30 **EMPLOYEE, CONTRACTOR, OR GRANTEE WHOLE.**

1           **(3) THE REMEDIES PROVIDED UNDER THIS SECTION DO NOT**  
2 **DIMINISH OR AFFECT THE RIGHTS, PRIVILEGES, OR REMEDIES AVAILABLE TO**  
3 **THE EMPLOYEE, CONTRACTOR, OR GRANTEE UNDER:**

4                   **(I) ANY OTHER FEDERAL OR STATE STATUTE OR**  
5 **REGULATION; OR**

6                   **(II) ANY COLLECTIVE BARGAINING AGREEMENT OR**  
7 **EMPLOYEE CONTRACT.**

8           **(C) A STATE EMPLOYEE WHO IS SUBJECT TO RETALIATORY ACTION IN**  
9 **VIOLATION OF SUBSECTION (A) OF THIS SECTION MAY FILE A COMPLAINT**  
10 **UNDER TITLE 5, SUBTITLE 3 OF THE STATE PERSONNEL AND PENSIONS**  
11 **ARTICLE.**

12 **8-108.**

13           **(A) A CIVIL ACTION FILED UNDER THIS TITLE MAY NOT BE FILED AFTER**  
14 **THE LATER OF:**

15                   **(1) 6 YEARS AFTER THE DATE ON WHICH THE UNDERLYING**  
16 **VIOLATION OF § 8-102 OF THIS TITLE OCCURRED; OR**

17                   **(2) 3 YEARS AFTER THE DATE WHEN FACTS MATERIAL TO THE**  
18 **RIGHT OF ACTION ARE KNOWN OR REASONABLY SHOULD HAVE BEEN KNOWN BY**  
19 **THE PERSON INITIATING THE ACTION OR THE OFFICIAL OF THE**  
20 **GOVERNMENTAL ENTITY CHARGED WITH RESPONSIBILITY FOR ACTING UNDER**  
21 **THE CIRCUMSTANCES.**

22           **(B) A CIVIL ACTION MAY BE FILED UNDER THIS TITLE FOR ACTIVITY**  
23 **THAT OCCURRED PRIOR TO OCTOBER 1, ~~2014~~, 2015, IF THE LIMITATIONS**  
24 **PERIOD UNDER SUBSECTION (A) OF THIS SECTION HAS NOT LAPSED.**

25           **(C) IF THE GOVERNMENTAL ENTITY ELECTS TO INTERVENE AND**  
26 **PROCEED WITH AN ACTION BROUGHT UNDER THIS TITLE, THE GOVERNMENTAL**  
27 **ENTITY, THROUGH THE OFFICE OF THE ATTORNEY GENERAL OR THE**  
28 **ATTORNEY FOR THE LOCAL GOVERNMENTAL ENTITY, MAY:**

29                   **(1) FILE ITS OWN COMPLAINT; OR**

30                   **(2) AMEND THE COMPLAINT OF THE PERSON THAT BROUGHT THE**  
31 **ACTION TO CLARIFY, ADD DETAIL TO THE COMPLAINT, OR ADD ADDITIONAL**  
32 **CLAIMS TO THE COMPLAINT.**

1           **(D) TO THE EXTENT THAT THE CLAIM OF THE GOVERNMENTAL ENTITY**  
2 **ARISES OUT OF THE CONDUCT, TRANSACTIONS, OR OCCURRENCES SET FORTH,**  
3 **OR ATTEMPTED TO BE SET FORTH BY A PERSON, A PLEADING BY THE**  
4 **GOVERNMENTAL ENTITY RELATES BACK TO THE FILING DATE OF THE**  
5 **COMPLAINT OF THE PERSON THAT ORIGINALLY BROUGHT THE ACTION.**

6           **(E) IN AN ACTION FILED UNDER THIS TITLE, ALL ESSENTIAL ELEMENTS**  
7 **OF THE CAUSE OF ACTION, INCLUDING DAMAGES, SHALL BE PROVEN BY A**  
8 **PREPONDERANCE OF THE EVIDENCE.**

9           **(F) NOTWITHSTANDING ANY OTHER PROVISION OF LAW OR RULE OF**  
10 **PROCEDURE OR EVIDENCE IN THE MARYLAND RULES, A FINAL JUDGMENT**  
11 **RENDERED IN FAVOR OF THE GOVERNMENTAL ENTITY IN ANY CRIMINAL**  
12 **PROCEEDING CHARGING FRAUD OR FALSE STATEMENTS, WHETHER ON A**  
13 **VERDICT AFTER TRIAL OR ON A PLEA OF GUILTY OR NOLO CONTENDERE, SHALL**  
14 **STOP THE DEFENDANT FROM DENYING THE ESSENTIAL ELEMENTS OF THE**  
15 **OFFENSE IN ANY ACTION FILED UNDER THIS TITLE THAT INVOLVES THE SAME**  
16 **ACT, TRANSACTION, OR OCCURRENCE AS IN THE CRIMINAL PROCEEDING.**

17 **8-109.**

18           **(A) ANY REMEDY PROVIDED UNDER THIS TITLE IS IN ADDITION TO ANY**  
19 **OTHER APPROPRIATE LEGAL OR EQUITABLE RELIEF PROVIDED UNDER ANY**  
20 **OTHER APPLICABLE STATE OR FEDERAL STATUTE OR REGULATION.**

21           **(B) (1) THE GOVERNMENTAL ENTITY SHALL MAKE ALL REASONABLE**  
22 **EFFORTS TO COORDINATE ANY INVESTIGATION OF AN ALLEGED VIOLATION**  
23 **UNDER THIS TITLE WITH ANY INVESTIGATION CONDUCTED BY THE FEDERAL**  
24 **GOVERNMENT INVOLVING THE SAME VIOLATION.**

25           **(2) THE GOVERNMENTAL ENTITY'S OBJECTIVE SHALL BE TO**  
26 **AVOID UNNECESSARY DUPLICATION OF EFFORT ON THE PART OF THE PERSON**  
27 **ALLEGED TO HAVE COMMITTED THE VIOLATION AND TO MINIMIZE THE BURDEN**  
28 **OF THE INVESTIGATION ON THE PERSON.**

29           **(C) THE COMPTROLLER SHALL DEPOSIT ANY CIVIL PENALTY OR**  
30 **DAMAGES COLLECTED BY THE STATE UNDER THIS TITLE INTO THE GENERAL**  
31 **FUND OF THE STATE.**

32 **8-110.**

33           **(A) BEGINNING OCTOBER 1, ~~2015~~, 2016, THE OFFICE OF THE**  
34 **ATTORNEY GENERAL AND THE ATTORNEY FOR EACH COUNTY AND BALTIMORE**  
35 **CITY SHALL REPORT ANNUALLY TO THE GENERAL ASSEMBLY, IN ACCORDANCE**

1 WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE FOLLOWING  
2 INFORMATION FOR THE PREVIOUS FISCAL YEAR:

3 (1) THE NUMBER OF CIVIL ACTIONS FILED UNDER THIS TITLE;

4 (2) THE NUMBER OF CIVIL ACTIONS UNDER THIS TITLE IN WHICH  
5 A JUDGMENT WAS ENTERED, WHETHER BY SETTLEMENT OR ADJUDICATION;  
6 AND

7 (3) THE NUMBER OF CLAIMS MADE BY THE GOVERNMENTAL  
8 ENTITY BASED ON ALLEGED VIOLATIONS OF § 8-102 OF THIS TITLE THAT ARE  
9 SETTLED WITHOUT THE FILING OF A CIVIL ACTION UNDER THIS TITLE.

10 (B) UNLESS THE ACTION IS UNDER SEAL IN ACCORDANCE WITH §  
11 8-104 OF THIS TITLE, FOR EACH CIVIL ACTION REPORTED UNDER SUBSECTION  
12 (A)(1) OR (2) OF THIS SECTION, THE REPORT SHALL STATE:

13 (1) WHETHER THE ACTION WAS FILED BY THE GOVERNMENTAL  
14 ENTITY OR BY A PERSON ON BEHALF OF THE GOVERNMENTAL ENTITY AND, IF  
15 FILED BY A PERSON, WHETHER THE GOVERNMENTAL ENTITY INTERVENED AND  
16 PROCEEDED WITH THE ACTION;

17 (2) THE NAME OF THE DEFENDANT;

18 (3) A DESCRIPTION OF THE VIOLATION OR ALLEGED VIOLATION  
19 OF § 8-102 OF THIS TITLE; AND

20 (4) THE AMOUNT SOUGHT IN THE ACTION AND, IF APPLICABLE,  
21 THE AMOUNT FOR WHICH THE DEFENDANT IS LIABLE UNDER A SETTLEMENT  
22 AGREEMENT OR COURT ORDER.

23 (C) FOR EACH CLAIM REPORTED UNDER SUBSECTION (A)(3) OF THIS  
24 SECTION, THE REPORT SHALL STATE:

25 (1) A DESCRIPTION OF THE VIOLATION OR ALLEGED VIOLATION  
26 OF § 8-102 OF THIS TITLE;

27 (2) THE RESOLUTION OF THE CLAIM;

28 (3) THE AMOUNT, IF ANY, THE PERSON AGAINST WHOM THE  
29 CLAIM WAS MADE AGREED TO PAY IN SETTLEMENT OF THE CLAIM; AND

30 (4) THE AMOUNT, IF ANY, COLLECTED BY THE GOVERNMENTAL  
31 ENTITY.

1 8-111.

2 THIS TITLE MAY BE CITED AS THE MARYLAND FALSE CLAIMS ACT.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
4 October 1, ~~2014~~ 2015.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.