



Construction Industry Round Table

Legislative News

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4/23/09 – False Claims Act Changes Likely to be Marked-up in House Judiciary Committee

H.R. 1788 “The False Claims Correction Act” (sponsored by Howard Berman, D-CA), was scheduled to be marked-up in the House Judiciary Committee during the latter part of April 2009. Over the past two years, there has been an ongoing effort to expand so-called qui tam lawsuits to allow expanded private lawsuits against those accused of defrauding the government. In large measure, many of these proposals, including H.R. 1788, would provide incentives for private whistleblowers to bring marginal claims in the hope of recouping a share of the recovery. The proposals would expand the potential for litigation and would ensnare companies that have neither committed fraud nor otherwise acted irresponsibly. With expensive frivolous lawsuits already a problem plaguing American businesses, CIRT is against opening up new avenues to bring cases against firms doing work for the federal government based on flimsy or exaggerated evidence.