HOUSE BILL NO. 4327

April 16, 2025, Introduced by Reps. Foreman, McKinney, Weiss, Xiong, Byrnes, Rheingans, Breen, McFall, Wegela, B. Carter, Tsernoglou, Hoskins, Conlin, O'Neal, Longjohn, Price, MacDonell and Andrews and referred to Committee on Economic Competitiveness.

A bill to provide for remedies and prescribe civil sanctions against a person that presents a false or fraudulent claim to obtain money, property, or services from this state or a local unit of government; to prescribe the powers and duties of certain state and local government officers and agencies; to prohibit retaliation against a person that pursues a remedy under this act; and to authorize the attorney general to promulgate rules.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 1. This act may be cited as the "false claims act".
- 2 Sec. 2. As used in this act:

- 1 (a) "Claim" means, subject to subdivision (b), a request or
 2 demand, whether under a contract or otherwise, for money or
 3 property that is either of the following:
- 4 (i) Presented to an officer, employee, or agent of this state5 or a local government.
- 6 (ii) Made to a contractor, grantee, or other recipient, if the
 7 money or property is to be spent or used on behalf of this state or
 8 a local government or to advance a state or local government
 9 program or interest, and if either of the following applies:
- (A) This state or a local government has provided or will
 provide any portion of the money or property that is requested or
 demanded.
- (B) This state or a local government will reimburse the
 contractor, grantee, or other recipient for any portion of the
 money or property that is requested or demanded.
- 16 (b) Claim does not include a request or demand for money or
 17 property that this state or a local government has already paid to
 18 an individual as compensation for government employment or as an
 19 income subsidy with no restrictions on that individual's use of the
 20 money or property.
- 21 (c) "False claim" means any claim that is, either in whole or 22 part, false or fraudulent.
- (d) "Knowing" and "knowingly" mean, subject to subdivision(e), that 1 of the following applies to a person with respect toinformation:
 - (i) The person has actual knowledge of the information.
- (ii) The person acts in deliberate ignorance of the truth or falsity of the information.
- 29 (iii) The person acts in reckless disregard of the truth or

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- 1 falsity of the information.
- 2 (e) Knowing and knowingly do not require proof of specific3 intent to defraud.
- 4 (f) "Local government" means county, city, township, village,
 5 school district, board of education, public benefit corporation, or
 6 other municipal corporation or political subdivision of this state
 7 or of a local government.
- 8 (g) "Material" means having a natural tendency to influence,9 or to be capable of influencing, the payment or receipt of money or10 property.
- 11 (h) "Obligation" means an established duty, whether or not
 12 fixed, arising from an express or implied contractual, grantor13 grantee, or licensor-licensee relationship, from a fee-based or
 14 similar relationship, from statute or regulation, or from the
 15 retention of any overpayment.
- 16 (i) "Original source" means a person to whom either of the
 17 following applies:
- (i) Before a public disclosure described in section 4(9)(b),
 the person has voluntarily disclosed to this state or a local
 government the information on which allegations or transactions in
 a cause of action are based.
- (ii) The person has knowledge that is independent of and materially adds to the publicly disclosed allegations or transactions and has voluntarily provided the information to this state or a local government before or simultaneously with filing an action under this act.
- 27 (j) "Person" means a natural person, partnership, corporation,
 28 association, or other legal entity, other than this state or a
 29 local government.

- 1 (k) "Qui tam plaintiff" means a person other than this state,
 2 the attorney general on behalf of this state, or a local government
 3 that brings or intervenes in an action brought under section 4(2).
- 4 (l) "This state" includes any state department, board, bureau,
 5 division, commission, committee, public benefit corporation, public
 6 authority, council, office, or other governmental entity that
 7 performs a governmental or proprietary function for this state.
- Sec. 3. (1) Subject to subsection (2), a person that commits

 any of the following acts is liable to this state or a local

 government, as applicable, for a civil penalty of not less than

 \$6,000.00 and not more than \$12,000.00, plus 3 times the amount of

 all damages, including consequential damages, that this state or

 the local government sustains because of the acts of the person:
- (a) Knowingly presents or causes to be presented a false or fraudulent claim for payment or approval.
- 16 (b) Knowingly makes, uses, or causes to be made or used a17 false record or statement material to a false or fraudulent claim.
- (c) Conspires to commit a violation of subdivision (a), (b),(d), (e), (f), or (g).
- 20 (d) Has possession, custody, or control of property or money
 21 used, or to be used, by this state or a local government and
 22 knowingly delivers or causes to be delivered less than all of the
 23 money or property.
- (e) Is authorized to make or deliver a document certifying receipt of property used or to be used by this state or a local government and, intending to defraud this state or the local government, makes or delivers the receipt without completely knowing that the information on the receipt is true.
- (f) Knowingly buys, or receives as a pledge of an obligation

- ${f 1}$ or debt, public property from an officer or employee of this state
- 2 or a local government knowing that the officer or employee is
- 3 violating the law by selling or pledging the property.
- 4 (q) Knowingly makes, uses, or causes to be made or used a
- 5 false record or statement material to an obligation to pay or
- 6 transmit money or property to this state or a local government, or
- 7 knowingly conceals or knowingly and improperly avoids or decreases
- 8 an obligation to pay or transmit money or property to this state or
- 9 a local government.
- 10 (2) A court may assess not more than 2 times the amount of
- 11 damages sustained because of an act of a person described in
- 12 subsection (1), if the court finds that all of the following apply:
- 13 (a) The person furnished all information known to the person
- 14 about the violation to the officials responsible for investigating
- 15 false claims on behalf of this state or a local government that
- 16 sustained damages within 30 days after the date on which the person
- 17 first obtained the information.
- 18 (b) The person fully cooperated with any government
- 19 investigation of the act.
- (c) At the time the person furnished information about the
- 21 act, a criminal prosecution, civil action, or administrative action
- 22 had not been commenced with respect to the act, and the person did
- 23 not have actual knowledge of the existence of an investigation into
- 24 the act.
- 25 (3) A person that commits an act described in subsection (1)
- 26 is also liable for the costs, including attorney fees, of a civil
- 27 action brought to recover a penalty or damages under this section.
- 28 (4) This section applies to claims, records, or statements
- 29 made under a tax law only if both of the following apply:

- 1 (a) The net income or sales of the person the action is
 2 brought against is equal or exceed \$1,000,000.00 for a taxable year
 3 subject to an action brought under this section.
- 4 (b) The damages pleaded in the action exceed \$350,000.00.
- 5 (5) The attorney general shall consult with the state 6 treasurer before filing or intervening in an action under this act 7 that is based on the filing of false claims, records, or statements 8 made under a tax law. If the attorney general declines to 9 participate or to authorize participation by a local government in 10 the action under section 4(2), the qui tam plaintiff shall obtain 11 approval from the attorney general before making a motion to compel 12 the department of treasury to disclose tax records.
- 13 Sec. 4. (1) The attorney general may investigate acts 14 described in section 3(1). If the attorney general believes that a 15 person has committed any of those acts, the attorney general may 16 bring a civil action on behalf of the people of this state or on 17 behalf of a local government against the person. A local government 18 may also investigate acts described in section 3(1) that may have 19 resulted in damages to the local government and may bring a civil action on its own behalf or on behalf of a subdivision of the local 20 21 government to recover damages sustained by the local government as 22 a result of the acts. An action may not be filed under this 23 subsection against the federal government, this state, or a local 24 government or an officer or employee of the federal government, 25 this state, or a local government acting in his or her official capacity. The attorney general shall consult with the Office of 26 27 Inspector General of the United States Department of Health and Human Services before filing an action related to the Medicaid 28 29 program.

- (2) A person may bring a qui tam civil action for an act
 described in section 3(1) on behalf of the person and the people of
 this state or a local government. All of the following apply to an
 action under this subsection:
- (a) A person shall not file an action under this subsection
 against the federal government, this state, or a local government
 or an officer or employee of the federal government, this state, or
 a local government acting in his or her official capacity.
- 9 (b) A copy of the complaint and written disclosure of 10 substantially all material evidence and information the qui tam plaintiff possesses must be served on the attorney general. A 11 12 complaint filed in a court of this state must be filed in the 13 circuit court of any county in which the qui tam plaintiff or any 14 defendant resides or has done or does any business, in camera and 15 under seal, must remain under seal for at least 60 days, and must 16 not be served on the defendant until the court so orders. The seal 17 does not preclude the attorney general, a local government, or the 18 qui tam plaintiff from serving the complaint, other pleadings, or 19 the written disclosure of substantially all material evidence and 20 information possessed by the qui tam plaintiff on relevant state or local government agencies, or on law enforcement authorities of 21 this state, a local government, or other jurisdictions or the 22 23 federal government, so that the acts may be investigated or 24 prosecuted, except that the seal applies to the agencies or 25 authorities served to the same extent as the seal applies to other parties in the action. If the complaint alleges an act described in 26 27 section 3(1) that involves damages to a local government, the attorney general may at any time provide a copy of the complaint 28 29 and written disclosure to the attorney for the local government.

- 1 However, if the allegations in the complaint involve damages only
- 2 to a city with a population of 500,000 or more, or only to this
- 3 state and a city with a population of 500,000 or more, the attorney
- 4 general shall provide the complaint and written disclosure to the
- 5 corporation counsel of the city within 30 days. The attorney
- 6 general may elect to supersede or intervene and proceed with the
- 7 action, or to authorize a local government that may have sustained
- 8 damages to supersede or intervene, within 60 days after it receives
- 9 both the complaint and the material evidence and information.
- 10 However, if the allegations in the complaint involve damages only
- 11 to a city with a population of 500,000 or more, the attorney
- 12 general shall not supersede or intervene in the action without the
- 13 consent of the corporation counsel of the city. The attorney
- 14 general shall consult with the health care fraud division of the
- 15 department of attorney general before superseding or intervening in
- 16 an action related to the Medicaid program. The attorney general
- 17 may, for good cause shown, move the court for extensions of the
- 18 time during which the complaint remains under seal under this
- 19 subsection. The motion may be supported by affidavits or other
- 20 submissions in camera.
- 21 (c) Before the expiration of the 60-day period or any
- 22 extensions obtained under subdivision (b), the attorney general
- 23 shall notify the court, and shall provide the local government with
- 24 a copy of the notification at the same time the court is notified,
- 25 that he or she intends to do 1 of the following:
- 26 (i) File a complaint against the defendant on behalf of the
- 27 people of this state or a local government and by doing so be
- 28 substituted as the plaintiff in the action and convert the action
- 29 in all respects from an action under this subsection brought by a

- private person into a civil enforcement action by the attorney
 qeneral under subsection (1).
- 3 (ii) Intervene in the action, as of right, so as to aid and 4 assist the qui tam plaintiff in the action.
- 5 (iii) If the action involves damages sustained by a local
 6 government, grant the local government permission to do either of
 7 the following:
- 8 (A) File and serve a complaint against the defendant, and by
 9 doing so be substituted as the plaintiff in the action and convert
 10 the action in all respects from an action under this subsection
 11 brought by a private person into a civil enforcement action by the
 12 local government under subsection (1).
- (B) Intervene in the action as of right, so as to aid andassist the qui tam plaintiff in the action.
- 15 (d) If the attorney general notifies the court that the 16 attorney general intends to file a complaint against the defendant 17 and by doing so be substituted as the plaintiff in the action, or 18 to permit a local government to do so, the complaint must be filed 19 within 30 days after the notification to the court. For purposes of 20 applying a statute of limitations, a complaint filed by the 21 attorney general or a local government under this subdivision 22 relates back to the filing date of the complaint of the qui tam plaintiff, to the extent that the cause of action of this state or 23 24 the local government arises out of the conduct, transactions, or 25 occurrences alleged or attempted to be alleged in the complaint of 26 the qui tam plaintiff.
- (e) If the attorney general notifies the court that the
 attorney general intends to intervene in the action, or to permit a
 local government to intervene, a motion for intervention must be

- 1 filed within 30 days after the notification to the court.
- 2 (f) If the attorney general declines to participate in the
- 3 action or to authorize participation by a local government, the
- 4 action may proceed subject to judicial review under this section,
- 5 law and court rules relating to civil procedure, and other
- 6 applicable law. The qui tam plaintiff shall provide this state or a
- 7 local government, if applicable, with a copy of any document filed
- 8 with the court on or about the date it is filed and any order
- 9 issued by the court on or about the date it is issued. A qui tam
- 10 plaintiff shall notify this state or a local government, if
- 11 applicable, within 5 business days of any decision, order, or
- 12 verdict that results in a judgment in favor of this state or the
- 13 local government.
- 14 (3) If the attorney general decides to participate in an
- 15 action under this section or to authorize the participation of a
- 16 local government, the court shall order that the complaint be
- 17 unsealed and served at the time the complaint or motion by this
- 18 state or local government is filed. After the complaint is
- 19 unsealed, or if a complaint is filed by this state or a local
- 20 government under subsection (1), the defendant must be served with
- 21 the complaint and summons under chapter 19 of the revised
- 22 judicature act of 1961, 1961 PA 236, MCL 600.1901 to 600.1974. A
- 23 copy of a complaint that alleges that damages were sustained by a
- 24 local government must also be served on the local government. The
- 25 defendant shall respond to the summons and complaint within the
- 26 time required under the applicable court rules.
- 27 (4) After an action is filed under this section, a person
- 28 other than the attorney general or an attorney for a local
- 29 government acting under subsection (1) or (2)(b) shall not

- 1 intervene in the action or bring a related civil action based on
- 2 the facts underlying the action, unless the other person has first
- 3 obtained the permission of the attorney general to intervene or to
- 4 bring a related action. However, this subsection does not prohibit
- 5 a person, with leave of court, from filing an amicus curiae brief.
- $\mathbf{6}$ (5) All of the following apply to an action under this
- 7 section:
- 8 (a) If the attorney general elects to convert the action into
- 9 an attorney general enforcement action, this state has the primary
- 10 responsibility for prosecuting the action. If the attorney general
- 11 elects to intervene in the action, this state and the qui tam
- 12 plaintiff, and any local government that sustained damages and
- 13 intervenes in the action, share primary responsibility for
- 14 prosecuting the action. If the attorney general elects to permit a
- 15 local government to convert the action into a civil enforcement
- 16 action, the local government has primary responsibility for
- 17 investigating and prosecuting the action. If the action involves
- 18 damages to a local government but not this state and the local
- 19 government intervenes in the action, the local government and the
- 20 qui tam plaintiff share primary responsibility for prosecuting the
- 21 action. This state or a local government is not bound by an act of
- 22 the qui tam plaintiff. The qui tam plaintiff has the right to
- 23 continue as a party to the action, subject to the limitations in
- 24 subdivision (b). This state is not bound by the act of a local
- 25 government that intervenes in an action involving damages to this
- 26 state. If neither the attorney general nor a local government
- 27 intervenes in the action, the qui tam plaintiff has the right to
- 28 prosecute the action, subject to the attorney general's right to
- 29 intervene at a later date on a showing of good cause.

- 1 (b) All of the following are applicable:
- 2 (i) This state may move to dismiss the action notwithstanding
- 3 the objections of the qui tam plaintiff if the qui tam plaintiff
- 4 has been served with the motion to dismiss and the court has
- 5 provided the qui tam plaintiff with an opportunity to be heard on
- 6 the motion. If the action involves damages to both this state and a
- 7 local government, this state shall consult with the local
- 8 government before moving to dismiss the action. If the action
- 9 involves damages sustained by a local government but not this
- 10 state, the local government may move to dismiss the action
- 11 notwithstanding the objections of the qui tam plaintiff if the qui
- 12 tam plaintiff has been served with the motion to dismiss and the
- 13 court has provided the qui tam plaintiff with an opportunity to be
- 14 heard on the motion.
- 15 (ii) This state or a local government may settle the action
- 16 with the defendant notwithstanding the objections of the qui tam
- 17 plaintiff if the court determines, after giving the qui tam
- 18 plaintiff an opportunity to be heard, that the proposed settlement
- 19 is fair, adequate, and reasonable with respect to all parties under
- 20 the circumstances. On a showing of good cause, the opportunity to
- 21 be heard may be provided in camera.
- 22 (iii) On a showing by the attorney general or a local government
- 23 that the qui tam plaintiff's unrestricted participation in the
- 24 litigation would interfere with or unduly delay the case or be
- 25 repetitious or irrelevant, or on a showing by the defendant that
- 26 the qui tam plaintiff's unrestricted participation in the
- 27 litigation would be for purposes of harassment or cause the
- 28 defendant undue burden, the court may, in its discretion, impose
- 29 limitations on the qui tam plaintiff's participation in the case,

- 1 including any of the following:
- (A) Limiting the number of witnesses the qui tam plaintiff maycall.
- 4 (B) Limiting the length of the testimony of the witnesses.
- (C) Limiting the qui tam plaintiff's cross-examination ofwitnesses.
- 7 (D) Otherwise limiting the participation by the qui tam8 plaintiff in the litigation.
- 9 (c) Regardless of whether the attorney general or a local 10 government elects to supersede or intervene in the action, the 11 attorney general or the local government may pursue any remedy 12 available with respect to the criminal or civil prosecution of the 13 presentation of false claims, including any administrative 14 proceeding to determine a civil money penalty or to refer the 15 matter to the Office of Inspector General of the United States 16 Department of Health and Human Services for Medicaid-related 17 matters. If an alternate remedy is pursued in another action or
- 18 proceeding, the qui tam plaintiff has the same rights in the other
 19 action or proceeding as the qui tam plaintiff would have had if the
- action bought under this section had continued.(d) Regardless of whether the attorney general elects to
- supersede or intervene in the action or to permit a localgovernment to supersede or intervene in the action, on a showing by
- 24 this state or a local government that certain discovery by the qui
- 25 tam plaintiff would interfere with this state's or the local
- 26 government's investigation or prosecution of a criminal or civil
- 27 matter arising out of the same facts, the court may stay the
- 28 discovery for not more than 60 days. The showing must be made in
- 29 camera. The court may extend the stay on a further showing in

- 1 camera that this state or the local government has pursued the
- 2 criminal or civil investigation or proceedings with reasonable
- 3 diligence and allowing the discovery in the action will interfere
- 4 with the ongoing criminal or civil investigation or proceedings.
- **5** (6) All of the following apply to awards to the qui tam
- 6 plaintiff in an action brought under this section:
- 7 (a) If the attorney general elects to convert the action into
- 8 an attorney general enforcement action or to permit a local
- 9 government to convert the action into a civil enforcement action by
- 10 the local government, or if the attorney general or a local
- 11 government elects to intervene in the action, the qui tam plaintiff
- 12 is entitled to receive from 15% to 20% of the proceeds recovered in
- 13 the action or in settlement of the action. The court shall
- 14 determine the percentage of the proceeds to which a qui tam
- 15 plaintiff is entitled by considering the extent to which the qui
- 16 tam plaintiff substantially contributed to the prosecution of the
- 17 action. If the court finds that the action was based primarily on
- 18 disclosures of specific information, other than information
- 19 provided by the qui tam plaintiff, that related to allegations or
- 20 transactions in a criminal, civil, or administrative hearing, in a
- 21 state legislative or administrative report, hearing, audit or
- 22 investigation, or from the news media, the court may award an
- 23 amount that it considers appropriate, but not more than 10% of the
- 24 proceeds, taking into account the significance of the information
- 25 and the role of the qui tam plaintiff in advancing the case to
- 26 litigation.
- 27 (b) If the attorney general or a local government does not
- 28 elect to intervene or convert the action and the action is
- 29 successful, a qui tam plaintiff that recovers proceeds is entitled

- 1 to receive from 25% to 30% of the proceeds recovered in the action
- 2 or settlement of the action. The court shall determine the
- 3 percentage of the proceeds to which the qui tam plaintiff is
- 4 entitled by considering the extent to which the qui tam plaintiff
- 5 substantially contributed to the prosecution of the action.
- 6 (c) With the exception of a court award of costs, expenses, or
- 7 attorney fees, any payment to a qui tam plaintiff under this
- 8 subsection must be made from the proceeds recovered in the action
- 9 or in settlement of the action.
- 10 (7) In an action brought under this section, the court may
- 11 award the attorney general, on behalf of the people of this state,
- 12 a local government that participates as a party in the action, or a
- 13 qui tam plaintiff an amount for reasonable expenses that the court
- 14 finds to have been necessarily incurred, reasonable attorney fees,
- 15 and costs. The expenses, fees, and costs must be awarded directly
- 16 against the defendant, must not be charged from the proceeds, and
- 17 may only be awarded if this state, a local government, or the qui
- 18 tam plaintiff prevails in the action.
- 19 (8) If the court finds that an action under this section was
- 20 brought by a person that planned or initiated the act described in
- 21 section 3(1) on which the action was brought, the court may, to the
- 22 extent the court considers appropriate, reduce the share of the
- 23 proceeds of the action that the person would otherwise be entitled
- 24 to receive under subsection (6), taking into account the role of
- 25 the person in advancing the action to litigation and any relevant
- 26 circumstances pertaining to the act. If a gui tam plaintiff is
- 27 convicted of criminal conduct arising from his or her role in the
- 28 act described in section 3(1), the qui tam plaintiff must be
- 29 dismissed from the action and is not entitled to receive any share

- 1 of the proceeds of the action. A dismissal under this subsection
- 2 does not prejudice the right of the attorney general to intervene
- 3 in the action and to prosecute the action on behalf of this state
- 4 or a local government.
- (9) All of the following apply to an action bought under thissection:
- 7 (a) The court shall dismiss the action if any of the following8 apply:
- 9 (i) The action is based on allegations or transactions that are
 10 the subject of a pending civil action or an administrative action
 11 in which this state or a local government is already a party.
- (ii) This state or a local government has reached a binding settlement or other agreement with the person that committed the act described in section 3(1) resolving the matter and the agreement has been approved in writing by the attorney general or an attorney for the local government, if applicable.
- 17 (iii) The action is against a member of the legislature, a
 18 member of the judiciary, or a senior executive branch official and
 19 is based on evidence or information known to this state at the time
 20 the action was brought.
- 21 (b) The court shall dismiss the action, unless dismissal is
 22 opposed by this state or, if applicable, a local government or
 23 unless the qui tam plaintiff is an original source of the
 24 information, if substantially the same allegations or transactions
 25 as alleged in the action were publicly disclosed in 1 of the
 26 following ways:
- (i) In a state or local government criminal, civil, or
 administrative hearing in which this state or a local government or
 its agent is a party.

- 1 (ii) In a report, hearing, audit, or investigation of the
- 2 United States, this state, or a local government that is made on
- 3 the public record or disseminated broadly to the general public.
- 4 However, for purposes of this subparagraph, information is not
- 5 publicly disclosed in a report or investigation if it was disclosed
- 6 or provided under the freedom of information act, 1976 PA 442, MCL
- 7 15.231 to 15.246, or any other federal, state, or local law, rule,
- 8 or program enabling the public to request, receive, or view
- 9 documents or information in the possession of a public official or
- 10 public agency.
- 11 (iii) In the news media. However, for purposes of this
- 12 subparagraph, allegations or transactions are not publicly
- 13 disclosed in the news media merely because information containing
- 14 the allegations or transactions has been posted on the Internet or
- 15 on a computer network.
- 16 (10) This state or a local government is not liable for any
- 17 expenses that a qui tam plaintiff incurs in bringing an action
- 18 under this section.
- 19 Sec. 5. (1) A current or former employee, contractor, or agent
- 20 of a private or public employer that is discharged, demoted,
- 21 suspended, threatened, harassed, or in any other manner
- 22 discriminated against in the terms and conditions of employment or
- 23 otherwise harmed or penalized by the employer or a prospective
- 24 employer because of lawful acts done by the employee, contractor,
- 25 or agent, or others associated with the employee, contractor, or
- 26 agent in furtherance of an action brought under this section or
- 27 other efforts to stop 1 or more acts described in section 3(1) is
- 28 entitled to all relief necessary to make the employee, contractor,
- 29 or agent whole. Relief available under this subsection includes,

- 1 but is not limited to, all of the following:
- 2 (a) An injunction to restrain continued discrimination.
- 3 (b) Hiring, contracting, or reinstatement to the position the
- 4 person would have had but for the discrimination or to an
- 5 equivalent position.
- **6** (c) Reinstatement of full fringe benefits and seniority
- 7 rights.
- 8 (d) Payment of 2 times back pay and interest.
- 9 (e) Compensation for any special damages sustained as a result
- 10 of the discrimination, including litigation costs and reasonable
- 11 attorney fees.
- 12 (2) For purposes of this section, lawful acts include, but are
- 13 not limited to, obtaining or transmitting to this state, a local
- 14 government, a qui tam plaintiff, or private counsel solely employed
- 15 to investigate a cause of action or potentially file or file an
- 16 action under this act documents, data, correspondence, electronic
- 17 mail, or any other information, even though the act may violate a
- 18 contract, employment term, or duty owed to the employer or
- 19 contractor, if the possession and transmission of the documents are
- 20 for the sole purpose of furthering efforts to stop 1 or more acts
- 21 described in section 3(1). This subsection does not prevent a law
- 22 enforcement authority from bringing a civil or criminal action
- 23 against a person for violating a law.
- 24 (3) An employee, contractor, or agent described in subsection
- 25 (1) may bring an action in the appropriate court for the relief
- 26 provided in this section.
- 27 Sec. 6. (1) An action under this act must be commenced within
- 28 10 years after the date on which the act described in section 3(1)
- 29 is committed. For purposes of this act, an action under this act is

- 1 commenced by the filing of a complaint.
- 2 (2) For purposes of applying any requirements of a court rule
- 3 relating to pleading allegations of fraud, in pleading an action
- 4 brought under this act, the qui tam plaintiff is not required to
- 5 identify specific claims that result from an alleged course of
- 6 misconduct, or any specific records or statements used, if the
- 7 facts alleged in the complaint, if ultimately proven true, would
- 8 provide a reasonable indication that 1 or more acts described in
- 9 section 3(1) are likely to have occurred, and if the allegations in
- 10 the complaint provide adequate notice of the specific nature of the
- 11 alleged misconduct to permit this state or a local government
- 12 effectively to investigate and defendants fairly to defend against
- 13 the allegations made.
- 14 (3) In an action brought under this act, this state, a local
- 15 government that participates as a party in the action, or a qui tam
- 16 plaintiff has the burden of proving the essential elements of the
- 17 cause of action, including damages, by a preponderance of the
- 18 evidence.
- 19 Sec. 7. This act does not do any of the following:
- 20 (a) Preempt the authority, or relieve the duty, of a law
- 21 enforcement agency to investigate and prosecute a suspected
- 22 violation of law.
- 23 (b) Prevent or prohibit a person from voluntarily disclosing
- 24 any information concerning an act described in section 3(1) to a
- 25 law enforcement agency.
- (c) Limit the power of the attorney general, a state agency,
- 27 or a local government to investigate an act described in section
- 28 3(1) and take appropriate action against any wrongdoer.
- Sec. 8. The attorney general may promulgate rules as necessary

- 1 to implement this act under the administrative procedures act of
- 2 1969, 1969 PA 306, MCL 24.201 to 24.328.