

SENATE FILE NO. SF0092

Wyoming False Claims Act.

Sponsored by: Senator(s) Nethercott, Crago and Kolb and
Representative(s) Banks, Byron, Clouston,
Erickson, Fornstrom and Lawley

A BILL

for

1 AN ACT relating to civil procedure; providing civil
2 penalties for false claims made against state employees and
3 officials as specified; providing definitions; providing
4 exceptions; providing remedies for retaliation regarding
5 persons who report violations of this act; providing a
6 statute of limitations; providing procedures for lawsuits
7 as specified; creating an account; and providing for an
8 effective date.

9

10 *Be It Enacted by the Legislature of the State of Wyoming:*

11

12 **Section 1.** W.S. 1-44-101 through 1-44-107 are created
13 to read:

14

15

CHAPTER 44

1 WYOMING FALSE CLAIMS ACT

2

3 **1-44-101. Short title.**

4

5 This act shall be known and may be cited as the "Wyoming
6 False Claims Act."

7

8 **1-44-102. Definitions.**

9

10 (a) As used in this act:

11

12 (i) "Claim" means:

13

14 (A) Any request or demand, whether under a
15 contract or otherwise, for money or property, and whether
16 or not the state has title to the money or property, that:

17

18 (I) Is presented to an officer,
19 employee or agent of the state; or

20

21 (II) Is made to a contractor, grantee
22 or other recipient, if the money or property is to be spent

1 or used on the state's behalf or to advance a state program
2 or interest, and if the state:

3

4 (1) Provides or has provided any
5 portion of the money or property requested or demanded; or

6

7 (2) Will reimburse the
8 contractor, grantee or other recipient for any portion of
9 the money or property that is requested or demanded.

10

11 (ii) "False claims law investigation" means any
12 inquiry conducted by any person on behalf of the state for
13 the purpose of ascertaining whether any person is or has
14 engaged in any violations of this act;

15

16 (iii) "Knowing" or "knowingly" means:

17

18 (A) That a person, with respect to
19 information and without requiring proof of specific intent
20 to defraud, does any of the following:

21

22 (I) Has actual knowledge of the
23 information;

1

2

(II) Acts in deliberate ignorance of the truth or falsity of the information; or

4

5

(III) Acts in reckless disregard of the truth or falsity of the information.

7

8

(iv) "Material" means having a natural tendency to influence, or be capable of influencing, the payment or receipt of money or property;

11

12

(v) "Obligation" means an established duty, whether or not fixed, arising from an express or implied contractual, grantor-grantee or licensor-licensee relationship, from a fee-based or similar relationship, from statute or regulation or from the retention of any overpayment;

18

19

(vi) "Original source" means a person who:

20

21

(A) Has voluntarily disclosed to the state the information on which allegations or transactions in a claim are based; or

23

1

2 (B) Has knowledge that is independent of
3 and materially adds to the publicly disclosed allegations
4 or transactions, and who has voluntarily provided the
5 information to the state before the state files an action
6 under this act.

7

8 (vii) "Proceeds" means civil penalties and
9 damages as provided by this act;

10

11 (viii) "Prosecuting authority" means any
12 official other than the attorney general charged with
13 investigating, filing and conducting civil legal
14 proceedings on behalf of, or in the name of, the state;

15

16 (ix) "State" means the state of Wyoming, its
17 agencies, boards, political subdivisions as defined by W.S.
18 9-2-401(a)(iv), instrumentalities, officers and employees,
19 including the University of Wyoming;

20

21 (x) "This act" means W.S. 1-44-101 through
22 1-44-107.

23

1 **1-44-103. False claims liability; damages; costs;**
2 **civil penalties; exceptions.**

3
4 (a) Notwithstanding any other law to the contrary,
5 any person who commits any of the following acts shall be
6 liable to the state for three (3) times the amount of
7 damages that the state sustains because of the actions of
8 that person. A person who commits any of the following acts
9 shall also be liable to the state for the costs of a civil
10 action brought to recover penalties or damages and shall be
11 liable to the state for a civil penalty of not less than
12 five thousand five hundred dollars (\$5,500.00) and not more
13 than eleven thousand dollars (\$11,000.00) for each false or
14 fraudulent claim where the person:

15
16 (i) Knowingly presents, or causes to be
17 presented, a false or fraudulent claim for payment or
18 approval;

19
20 (ii) Knowingly makes, uses or causes to be made
21 or used a false record or statement material to a false or
22 fraudulent claim;

23

1 (iii) Has possession, custody or control of
2 property or money used, or to be used, by the state and
3 knowingly delivers, or causes to be delivered, less than
4 all of that money or property;

5

6 (iv) Is authorized to make or deliver a document
7 certifying receipt of property used, or to be used, by the
8 state and, intending to defraud the state, makes or
9 delivers the receipt without knowing whether the
10 information on the receipt is true;

11

12 (v) Knowingly buys, or receives as a pledge of
13 an obligation or debt, public property from an officer or
14 employee of the state who lawfully may not sell or pledge
15 property;

16

17 (vi) Knowingly makes, uses or causes to be made
18 or used a false record or statement material to an
19 obligation to pay or transmit money or property to the
20 state, or knowingly conceals or knowingly and improperly
21 avoids or decreases an obligation to pay or transmit money
22 or property to the state;

23

1 (vii) Conspires to commit a violation of this
2 subsection;

3

4 (viii) Is a beneficiary of an inadvertent
5 submission of a false or fraudulent claim to the state,
6 subsequently discovers the falsity of the claim and fails
7 to disclose the false or fraudulent claim to the state; or

8

9 (ix) Is the beneficiary of an inadvertent
10 payment or overpayment by the state of funds not due and
11 knowingly fails to repay the inadvertent payment or
12 overpayment to the state.

13

14 (b) Notwithstanding subsection (a) of this section, a
15 court may assess not more than two (2) times the amount of
16 damages that the state sustains because of a violation of
17 subsection (a) of this section, and shall assess no civil
18 penalty, if the court finds all of the following:

19

20 (i) The person committing the violation
21 furnished officials of the state responsible for
22 investigating false claims violations with all information
23 known to that person about the violation within thirty (30)

1 days after the date where the person first obtained the
2 information;

3

4 (ii) The person fully cooperated with any
5 investigation by the state;

6

7 (iii) At the time the person furnished the state
8 with information about the violation, no criminal
9 prosecution, civil action or administrative action had
10 commenced with respect to the violation, and the person did
11 not have actual knowledge of the existence of an
12 investigation into the violation.

13

14 (c) Liability pursuant to this section shall be joint
15 and several for any act committed by two (2) or more
16 persons.

17

18 (d) This act shall not apply to claims made:

19

20 (i) Pursuant to a workers' compensation claim;

21

22 (ii) Regarding the payment of sales taxes under
23 title 39 of the Wyoming statutes;

1

2 (iii) Regarding the assets of a person that have
3 been transferred to the commissioner of the department of
4 insurance under title 26 of the Wyoming statutes;

5

6 (iv) Regarding services requested under the
7 Wyoming medicaid program;

8

9 (v) Regarding federal welfare benefits;

10

11 (vi) Regarding money, property or services that
12 the state has paid to a person as compensation for
13 employment with the state or as an income subsidy with no
14 restrictions on that person's use of the money, property or
15 services.

16

17 **1-44-104. Investigations and prosecutions; powers of**
18 **prosecuting authority; civil actions; jurisdiction of**
19 **courts.**

20

21 (a) The following shall apply to investigations of
22 false claims under this act:

23

1 (i) The attorney general or applicable
2 prosecuting authority shall diligently investigate
3 violations of this act. If the attorney general finds that
4 a person has violated this act, the attorney general or the
5 applicable prosecuting authority may bring a civil action
6 under this section against that person;

7
8 (ii) An applicable prosecuting authority shall
9 have the right to intervene in an action brought by the
10 attorney general under this section not more than sixty
11 (60) days after the attorney general notifies the
12 prosecuting authority of a violation of this act within the
13 prosecuting authority's jurisdiction. A court may permit
14 intervention if the Wyoming Code of Civil Procedure and
15 Rules of Civil Procedure have been adhered to.

16
17 (b) The following shall apply to civil actions
18 brought due to violations prohibited by this act:

19
20 (i) The parties of civil actions shall adhere to
21 the requirements of the Wyoming Code of Civil Procedure and
22 Rules of Civil Procedure;

23

1 (ii) No court shall have jurisdiction over an
2 action brought pursuant to this act against a member of the
3 legislature, a member of the judiciary, an elected official
4 or a member of any governing body if the action is based on
5 a false claim where evidence or information about the claim
6 was known to the state when the action is brought;

7

8 (iii) The attorney general or applicable
9 prosecuting authority shall not bring an action that is
10 based upon allegations or transactions that are the subject
11 of a civil action or penalty proceeding where the state is
12 already a party;

13

14 (iv) A court may dismiss an action or claim
15 under this section if substantially the same allegations or
16 transactions were publicly disclosed in any of the
17 following:

18

19 (A) A criminal, civil or administrative
20 proceeding where the state or prosecuting authority are a
21 party;

22

1 (B) A report, hearing, audit or
2 investigation of the legislature or the state;

3

4 (C) The news media.

5

6 (v) Paragraph (iv) of this subsection shall not
7 apply if the action is brought by the attorney general or
8 applicable prosecuting authority or the person bringing the
9 action is the original source of the information;

10

11 (vi) Unless otherwise authorized by law, a court
12 shall not have jurisdiction over an action based upon
13 information discovered by a present or former employee of
14 the state during the course of that employee's employment
15 unless that employee first, in good faith, exhausts
16 existing internal procedures for reporting and seeking
17 recovery of the falsely claimed sums through official
18 channels and unless the state failed to act on the
19 information provided within a reasonable period of time.

20

21 (c) The false claims act account is hereby created.
22 Notwithstanding W.S. 5-9-106 or any other law, thirty-three
23 percent (33%) of the proceeds of an action or settlement of

1 a claim by the attorney general or a prosecuting authority
2 pursuant to this act shall be deposited into the account.
3 The remaining proceeds of an action or settlement of a
4 false claim shall be deposited into the public school fund
5 of the applicable county in which the false claim arose.
6 Funds in the account, upon appropriation by the
7 legislature, shall:

8

9 (i) Be continuously appropriated to the office
10 of the attorney general;

11

12 (ii) Be used by the attorney general to support
13 the ongoing investigation and prosecution of false claims
14 pursuant to this act;

15

16 (iii) Unless otherwise specifically provided,
17 not lapse or revert at the end of the fiscal period and
18 shall remain in the account; and

19

20 (iv) Regarding interest or other earnings on
21 funds within the account, be credited to the account.

22

23 **1-44-105. Relief from retaliatory actions.**

1

2 (a) In addition to the remedies provided by W.S.
3 9-11-103 if applicable, any employee, contractor or agent
4 shall be entitled to all relief necessary to make that
5 employee, contractor or agent whole if that employee,
6 contractor or agent is discharged, demoted, suspended,
7 threatened, harassed or in any other manner discriminated
8 against in the terms and conditions of employment because
9 of lawful acts done by the employee, contractor, agent or
10 associated others in furtherance of an action under this
11 act or other efforts to stop one (1) or more violations of
12 this act.

13

14 (b) The relief authorized under subsection (a) of
15 this section shall include:

16

17 (i) Reinstatement with the same status that the
18 employee, contractor or agent would have had but for the
19 retaliation;

20

21 (ii) Two (2) times the amount of back pay;

22

23 (iii) Interest on the back pay;

1

2 (iv) Compensation for any special damages
3 sustained as a result of the retaliation, including
4 litigation costs and reasonable attorneys' fees.

5

6 (c) An action seeking relief under this section may
7 be brought in a court of competent jurisdiction, provided
8 that a civil action seeking relief under this section may
9 not be brought later than the times specified in W.S.
10 1-44-106.

11

12 **1-44-106. Limitation of actions; burden of proof.**

13

14 (a) A civil action brought under this act shall not
15 be brought more than three (3) years after the date when
16 the facts material to the right of action are known or
17 reasonably should have been known by the attorney general
18 or other prosecuting authority, but in no event more than
19 six (6) years after the date where the violation of this
20 act was committed.

21

22 (b) In any civil action brought under this act, the
23 state shall be required to prove all essential elements of

1 the cause of action, including damages, by a preponderance
2 of the evidence.

3

4 (c) Notwithstanding any other provision of law, a
5 judgment of guilt in a criminal proceeding charging false
6 statement or fraud, upon a verdict after trial or upon a
7 plea of guilty or nolo contendere, shall estop the
8 defendant from denying the essential elements of the
9 offense in any action brought pursuant to this act which
10 involves the same transaction as in the criminal
11 proceeding.

12

13 **1-44-107. Remedies pursuant to other laws;**
14 **severability.**

15

16 The provisions of this act are not exclusive, and the
17 remedies provided for shall be in addition to any other
18 remedies provided for in any other law or available
19 pursuant to common law.

20

21 **Section 2.** This act is effective July 1, 2026.

22

23

(END)