

White Collar Defense and Investigations



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DOJ Announces Plan To Offer Monetary Rewards for Whistleblowers

On March 7, 2024, Deputy Attorney General (DAG) Lisa Monaco announced that the Department of Justice (DOJ) will soon launch a new monetary reward program for people who provide information about corporate or financial wrongdoing.

The program is intended to fill gaps in the existing whistleblower incentives offered by the DOJ and the Securities and Exchange Commission (SEC), Internal Revenue Service, Commodity Futures Trading Commission (CFTC) and the Department of the Treasury's Financial Crimes Enforcement Network (FinCEN), [DAG Monaco said in remarks at a conference](#). The other agencies' programs are limited to those agencies' jurisdictions. The DOJ has offered rewards only on an *ad hoc* basis in the past.

The DOJ's Money Laundering and Asset Recovery Section (MLARS) will develop and implement the program in the next 90 days, with a formal start date to follow later in 2024. Basic eligibility requirements and safeguards for the program have already been laid out. Payments will be available only:

- After all victims of the identified offenses have been compensated.
- When there is no existing monetary incentive program, such as a potential *qui tam* action.
- When a person provides truthful information not already known to the government.
- When the information is provided voluntarily and not because of a government inquiry, existing reporting obligation, or in response to the threat of imminent disclosure.
- When the reporting person is not involved in the criminal conduct at issue.

As with other DOJ voluntary disclosure programs, these incentives are only available to the first person to provide information of which the government was previously unaware. Both the SEC and CFTC limit rewards to cases where the agency orders at least \$1 million in sanctions, and the DOJ similarly expects to establish a monetary threshold for this program.

The DOJ has also identified key areas of interest where it hopes the new program will prompt tips. It is particularly interested in criminal abuses of the U.S. financial system, domestic corruption cases, and violations of the Foreign Extortion Prevention Act. [In remarks the day after DAG Monaco announced the program](#), Nicole M. Argentieri, acting assistant attorney general and head of the DOJ's Criminal Division, said that the DOJ expects the program to be particularly helpful in encouraging reporting in foreign corruption cases outside the SEC's jurisdiction, such as Foreign Corrupt Practices Act violations by foreign securities issuers.

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As we noted in a December 13, 2023 article, “[DOJ Leverages the Private Sector To Achieve Enforcement Goals](#),” creating incentives for the voluntary disclosure of wrongdoing continues to be a major focus for the DOJ and individual U.S. Attorneys’ Offices.

- In February 2023, the U.S. Attorney’s Office for the Northern District of California [implemented a voluntary self-disclosure program](#).
- The same month, [the DOJ adopted new national standards for voluntary self-disclosure credit](#) in corporate criminal enforcement actions.

- In October 2023, the DOJ announced [a safe harbor program for self-disclosures in the merger and acquisition process](#).
- In January 2024, Damian Williams, U.S. Attorney for the Southern District of New York, announced the creation of a [Whistleblower Pilot Program](#).

DAG Monaco’s announcement of this newest incentive program suggests that this emphasis on voluntary disclosure will remain a core focus in 2024.

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