STATE OF NEW YORK

9892

IN SENATE

April 13, 2026

Introduced by Sen. COONEY -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend the state finance law, in relation to limitations on false claims actions involving resolved matters and disclosure requirements for persons initiating such actions

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Paragraph (a) of subdivision 9 of section 190 of the state finance law, as amended by chapter 379 of the laws of 2010, is amended to read as follows:

(a) The court shall dismiss a qui tam action under this article if:

(i) it is based on allegations or transactions which are the subject of a pending civil action or an administrative action in which the state or a local government is already a party;

(ii) the state or local government has reached a binding settlement or other agreement with the person who violated section one hundred eighty-nine of this article resolving the matter [~~and such agreement has been approved in writing by the attorney general, or by the applicable local government attorney~~]; [~~or~~]

(iii) against a member of the legislature, a member of the judiciary, or a senior executive branch official if the action is based on evidence or information known to the state when the action was brought[~~.~~]**; or**

(iv) the action is based upon allegations or transactions that:

(A) are the subject of an audit, examination, investigation, or administrative inquiry conducted by the state, a local government, or any executive or administrative agency thereof; or

(B) were previously the subject of an audit, examination, investigation, or administrative inquiry conducted by the state, a local government, or any executive or administrative agency thereof that resulted in a final determination, resolution, or payment.

§ 2. Section 190 of the state finance law is amended by adding a new subdivision 2-a to read as follows:

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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2-a. Disclosure of relator identity and basis of knowledge. In any action brought pursuant to this article, the person initiating the action shall, at the time of filing, plead with particularity:

(a) the identity of the natural person or persons bringing the allegations;

(b) the nature of such person's relationship, if any, to the defendant; and

(c) the manner in which such person obtained the material information forming the basis of the allegations.

Where the action is brought by an entity, the complaint shall disclose the natural person or persons who directly or indirectly control or benefit from such entity. Failure to satisfy the requirements of this subdivision shall constitute grounds for dismissal.

§ 3. This act shall take effect immediately and shall apply to actions commenced or maintained on or after such effective date.