

114TH CONGRESS  
2D SESSION

# S. 2591

To strengthen incentives and protections for whistleblowers in the financial industry and related regulatory agencies, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

FEBRUARY 25, 2016

Ms. BALDWIN introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

To strengthen incentives and protections for whistleblowers in the financial industry and related regulatory agencies, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Whistleblower Aug-  
5 mented Reward and Nonretaliation Act of 2016” or the  
6 “WARN Act of 2016”.

7 **SEC. 2. FINANCIAL INSTITUTIONS ANTI-FRAUD ENFORCE-**  
8 **MENT ACT OF 1990.**

9 The Financial Institutions Anti-Fraud Enforcement  
10 Act of 1990 (12 U.S.C. 4201 et seq.) is amended—

1 (1) in section 2565(d) (12 U.S.C. 4205(d))—

2 (A) in paragraph (1)(A), by striking clause

3 (i) and inserting the following:

4 “(i) The declarant shall be entitled, with  
5 respect to the total recovery in the action or  
6 any related actions, to—

7 “(I) not less than 10 percent; and

8 “(II) not greater than 30 percent.”;

9 and

10 (B) by adding at the end the following:

11 “(3) Any determination regarding an award  
12 under this section may, not later than 30 days after  
13 the date on which the determination is made, be ap-  
14 pealed to the appropriate court of appeals of the  
15 United States.”;

16 (2) by striking section 2572 (12 U.S.C. 4212)

17 and inserting the following:

18 **“SEC. 2572. PROTECTION FOR DECLARANTS.**

19 “(a) REMEDY.—A person may obtain all relief nec-  
20 essary to make the person whole if—

21 “(1) an employer discharged, demoted, sus-  
22 pended, threatened, harassed, or in any other man-  
23 ner discriminated against the person in the terms  
24 and conditions of the employment of the person be-  
25 cause of lawful acts taken by the person—

1           “(A) in furtherance of a prosecution under  
2           section 215, 225, 287, 656, 657, 1001, 1005,  
3           1006, 1007, 1014, 1032, 1341, 1343, 1344, or  
4           1517 of title 18, United States Code; and

5           “(B) including the provision of information  
6           that relates to, initiates, or assists—

7                   “(i) a prosecution described in sub-  
8                   paragraph (A); or

9                   “(ii) the investigation of or testimony  
10                  in a prosecution described in subparagraph  
11                  (A); and

12                  “(2) the person acted upon the direction of the  
13                  employer of the person to deliberately cause the vio-  
14                  lation disclosed.

15           “(b) RELIEF.—Relief under subsection (a) shall in-  
16           clude—

17                   “(1) reinstatement with the same seniority sta-  
18                   tus;

19                   “(2) twice the amount of back pay and interest  
20                   to which the person would have been entitled but for  
21                   the action of the employer; and

22                   “(3) compensation for any special damages sus-  
23                   tained as a result of the action of the employer, in-  
24                   cluding—

25                   “(A) litigation costs;

1 “(B) expert witness fees; and

2 “(C) reasonable attorneys fees.

3 “(c) BURDENS OF PROOF.—Complaints for relief  
4 under this section shall be governed by the procedures,  
5 evidentiary standards, and burdens of proof under section  
6 1057 of the Consumer Financial Protection Act of 2010  
7 (12 U.S.C. 5567).”;

8 (3) in section 2573 (12 U.S.C. 4213)—

9 (A) by striking “The Attorney General”

10 and inserting the following:

11 “(a) IN GENERAL.—The Attorney General”; and

12 (B) by adding at the end the following:

13 “(b) EDUCATION.—The Attorney General shall issue  
14 regulations requiring every employer covered under this  
15 Act to provide education and training to the employees  
16 of the employer on the rights and remedies provided under  
17 this section, including by—

18 “(1) providing individual notice to the employ-  
19 ees;

20 “(2) posting information on the home page of  
21 the website of the employer; and

22 “(3) providing mandatory training for the em-  
23 ployees.”;

24 (4) in section 2580 (12 U.S.C. 4225), by strik-  
25 ing subsection (c) and inserting the following:

1           “(c) SHARE OF ASSETS.—When the United States  
2 recovers any asset specifically identified in a valid declara-  
3 tion filed under section 2576 and the Attorney General  
4 determines that the asset would not have been recovered  
5 if the declarant had not filed the declaration, the declarant  
6 shall have the right to share in the recovery in the amount  
7 of, with respect to the total amount of the recovery in the  
8 action or related actions—

9                   “(1) not less than 10 percent; and

10                   “(2) not greater than 30 percent.”; and

11                   (5) by striking section 2583 (12 U.S.C. 4228)

12           and inserting the following:

13   **“SEC. 2583. REVIEW OF ACTION BY THE ATTORNEY GEN-**  
14                   **ERAL.**

15           “Any determination regarding an award under this  
16 chapter may, not later than 30 days after the date on  
17 which the determination is made, be appealed to the ap-  
18 propriate court of appeals of the United States.”.

19   **SEC. 3. FEDERAL DEPOSIT INSURANCE ACT.**

20           The Federal Deposit Insurance Act (12 U.S.C. 1811  
21 et seq.) is amended—

22                   (1) in section 33(a) (12 U.S.C. 1831j(a))—

23                           (A) in paragraph (1)—

24                                   (i) in the matter preceding subpara-  
25                                   graph (A), by inserting “(or refused to

1 alter information previously provided)”  
2 after “provided information”; and

3 (ii) in subparagraph (A), by striking  
4 “a possible violation of any law or regula-  
5 tion” and inserting “a possible violation of  
6 any law, regulation, or agency statement of  
7 policy”; and

8 (B) in paragraph (2), in the matter pre-  
9 ceding subparagraph (A)—

10 (i) by striking “the Corporation” and  
11 inserting “any such entity”;

12 (ii) by inserting “(or refused to alter  
13 information previously provided)” after  
14 “provided information”; and

15 (iii) by striking “any possible violation  
16 of any law or regulation” and inserting  
17 “any possible violation of any law, regula-  
18 tion, or agency statement of policy,”; and

19 (2) in section 34 (12 U.S.C. 1831k)—

20 (A) by striking subsection (b) and insert-  
21 ing the following:

22 “(b) PERCENTAGE LIMITATION.—An appropriate  
23 Federal banking agency, when paying a reward under sub-  
24 section (a), shall pay a reward equivalent to—

1           “(1) not less than 10 percent of the amount of  
2 any fine, penalty, restitution, or forfeiture; and

3           “(2) not greater than 30 percent of the amount  
4 of any fine, penalty, restitution, or forfeiture.”; and

5           (B) by striking subsection (d) and insert-  
6 ing the following:

7           “(d) REVIEW.—Any determination regarding an  
8 award under this section may, not later than 30 days after  
9 the date on which the determination is made, be appealed  
10 to the appropriate court of appeals of the United States.”.

11 **SEC. 4. SECURITIES EXCHANGE ACT OF 1934.**

12           Section 21F of the Securities Exchange Act of 1934  
13 (15 U.S.C. 78u–6) is amended—

14           (1) in subsection (a), by striking paragraph (6);

15           (2) in subsection (c)(1)(B)—

16           (A) in clause (i)(IV), by striking “and” at  
17 the end;

18           (B) in clause (ii), by striking the period at  
19 the end and inserting a semicolon; and

20           (C) by adding at the end the following:

21           “(iii) may not deny eligibility for an  
22 award that otherwise meets the require-  
23 ments of this section if the information  
24 that forms the basis for the award is sub-  
25 mitted not later than 90 days after a whis-

1            whistleblower gains knowledge of the disclosed  
2            misconduct;

3            “(iv) shall presume that a report  
4            made by a whistleblower is timely sub-  
5            mitted; and

6            “(v) may not reduce the award due to  
7            delay, absent a finding that the disclosure  
8            was deliberately postponed because of—

9                    “(I) culpability of the whistle-  
10                    blower;

11                    “(II) interference by the whistle-  
12                    blower with internal investigative  
13                    processes; or

14                    “(III) attempts at self-enrich-  
15                    ment by the whistleblower.”;

16            (3) in subsection (h)—

17                    (A) in paragraph (1)—

18                            (i) in subparagraph (A)—

19                                    (I) in the matter preceding clause

20    (i)—

21    (aa) by striking “No em-  
22    ployer” and inserting “No em-  
23    ployer, prospective employer, or  
24    former employer, as applicable,”;  
25    and



1 (bb) by striking “a whistle-  
2 blower in the terms and condi-  
3 tions of employment because of  
4 any lawful act done by the whis-  
5 tleblower” and inserting “a whis-  
6 tleblower with respect to the com-  
7 pensation, terms, conditions, or  
8 privileges of employment of the  
9 whistleblower because of any law-  
10 ful act done by the whistleblower  
11 or perceived to have been done by  
12 the whistleblower (or any person  
13 acting pursuant to a request of  
14 the whistleblower), whether at  
15 the initiative of the whistleblower  
16 or in the ordinary course of the  
17 duties of the whistleblower”;

18 (II) in clause (ii) by striking “or”  
19 at the end;

20 (III) in clause (iii) by striking  
21 the period at the end and inserting a  
22 semicolon; and

23 (IV) by adding at the end the fol-  
24 lowing:

1           “(iv) in objecting to, or refusing to  
2 participate in, any activity, policy, practice,  
3 or assigned task that the whistleblower (or  
4 other such person) reasonably believed to  
5 be in violation of any law, rule, order,  
6 standard, or prohibition that is subject to  
7 the jurisdiction of, or enforceable by, the  
8 Commission; or

9           “(v) in providing, preparing to pro-  
10 vide, or assisting in the provision of infor-  
11 mation to the employer, prospective em-  
12 ployer, former employer, a person with su-  
13 pervisory authority over the employee, or  
14 another such person working for the em-  
15 ployer with the authority to investigate,  
16 discover, or terminate as a result of mis-  
17 conduct relating to any violation of, or any  
18 act or omission that the whistleblower be-  
19 lieves to be a violation of any—

20                   “(I) provision of this title;

21                   “(II) other provision of law that  
22 is subject to the jurisdiction of the  
23 Commission; or

1 “(III) rule, order, standard, or  
2 prohibition prescribed by the Commis-  
3 sion.”;

4 (ii) in subparagraph (B), by adding at  
5 the end the following:

6 “(iv) BURDEN OF PROOF.—Except as  
7 otherwise provided in this section, com-  
8 plaints for relief shall be governed by the  
9 procedures, evidentiary standards, and  
10 burdens of proof in section 1057 of the  
11 Consumer Financial Protection Act of  
12 2010 (12 U.S.C. 5567).”; and

13 (iii) in subparagraph (C)—

14 (I) in clause (ii), by striking  
15 “and” at the end;

16 (II) in clause (iii), by striking the  
17 period at the end and inserting a  
18 semicolon; and

19 (III) by adding at the end the  
20 following:

21 “(iv) compensatory damages; and

22 “(v) punitive damages in an amount  
23 not greater than \$250,000.”; and

24 (B) in paragraph (2), by striking subpara-  
25 graph (A) and inserting the following:

1           “(A) IN GENERAL.—Except as provided in  
2           subparagraphs (B), (C), and (D), neither the  
3           Commission nor any officer or employee of the  
4           Commission may disclose any identifying infor-  
5           mation about a whistleblower who has provided  
6           information to the Commission—

7                   “(i) unless the Commission has ob-  
8                   tained the written consent of the whistle-  
9                   blower;

10                   “(ii) except in accordance with the  
11                   provisions of section 552a of title 5,  
12                   United States Code; or

13                   “(iii) unless required to be disclosed  
14                   to a defendant or respondent in connection  
15                   with a public proceeding instituted by the  
16                   Commission.”; and

17           (4) by adding at the end the following:

18           “(k) NON-WAIVERABILITY OF RIGHTS AND REM-  
19 EDIES.—An employer, prospective employer, or former  
20 employer, as applicable, may not take any action to impede  
21 an individual who is about to or has assisted or engaged  
22 in activity protected by this section, including—

23                   “(1) issuing, proposing, initiating, enforcing, or  
24                   threatening to enforce, a confidentiality agreement  
25                   (other than agreements dealing with information

1 covered by sections 240.21F-4(b)(4)(i) and  
2 240.21F-4(b)(4)(ii) of title 17, Code of Federal  
3 Regulations, as in effect on the date of the enact-  
4 ment of this subsection) with respect to such com-  
5 munications;

6 “(2) initiating, enforcing, or threatening to en-  
7 force any agreement, policy, form, or condition of  
8 employment, including by any predispute arbitration  
9 agreement, that waives the rights and remedies pro-  
10 vided under this section;

11 “(3) requiring the individual to waive, release,  
12 or assign any monetary award that the individual  
13 may receive from the Commission;

14 “(4) conditioning the right of the individual to  
15 receive any contractual or employment-related ben-  
16 efit on a waiver, release, or assignment described in  
17 paragraph (3);

18 “(5) requiring the individual to disclose to any  
19 private party whether the individual has, or in the  
20 future intends to, communicate with the staff of the  
21 Commission about a possible violation of commod-  
22 ities law;

23 “(6) conditioning the right of the individual to  
24 receive any contractual or employment-related ben-  
25 efit on a representation that the individual has not

1       communicated with, or provided documents or other  
2       information, to the staff of the Commission;

3               “(7) seeking civil or criminal liability for—

4                       “(A) acquiring and communicating infor-  
5                       mation to the Commission; or

6                       “(B) engaging in other activity protected  
7                       by this section;

8               “(8) seeking professional discipline through loss  
9       of license, certification, or other disciplinary activi-  
10      ties for engaging in activity protected by this sec-  
11      tion;

12               “(9) seeking professional discipline of attorneys  
13      for representation of activities protected by this sec-  
14      tion, or any other action that obstructs the right to  
15      counsel of the individual; and

16               “(10) engaging in any other discrimination that  
17      would chill the exercise of activity protected by this  
18      section.

19               “(1) INTERNAL COMPLIANCE PROGRAMS.—The Com-  
20      mission shall promulgate regulations requiring each em-  
21      ployer—

22                       “(1) to have a procedure in place for an em-  
23                       ployee, applicant for employment, or former em-  
24                       ployee who believes that violations of this section  
25                       have occurred or are occurring at the place of em-

1 employment, place of prospective employment, or place  
2 of former employment to report—

3 “(A) directly to the chief executive officer  
4 of the employer;

5 “(B) to a representative appointed by and  
6 reporting directly to the chief executive officer  
7 who is specifically designated to receive such a  
8 report; or

9 “(C) through a hotline consistent with pro-  
10 fessional best practices to the audit committee  
11 of the board of directors; and

12 “(2) not to discriminate against an employee,  
13 applicant for employment, or former employee for  
14 making a report under paragraph (1).

15 “(m) EXTRATERRITORIALITY.—The protections pro-  
16 vided by this section shall apply to foreign nationals living  
17 outside the United States.”.

18 **SEC. 5. COMMODITY EXCHANGE ACT.**

19 Section 23 of the Commodity Exchange Act (7 U.S.C.  
20 26) is amended—

21 (1) in subsection (a), by striking paragraph (7);

22 (2) in subsection (c)(1)(B)—

23 (A) in clause (i)(IV), by striking “and” at  
24 the end;

1 (B) in clause (ii), by striking the period at  
2 the end and inserting a semicolon; and

3 (C) by adding at the end the following:

4 “(iii) may not deny eligibility for an  
5 award that otherwise meets the require-  
6 ments of this section if the information  
7 that forms the basis for the award is sub-  
8 mitted not later than 90 days after a whis-  
9 tleblower gains knowledge of the disclosed  
10 misconduct;

11 “(iv) shall presume that a report  
12 made by a whistleblower is timely sub-  
13 mitted; and

14 “(v) may not reduce the award due to  
15 delay, absent a finding that the disclosure  
16 was deliberately postponed because of—

17 “(I) culpability of the whistle-  
18 blower;

19 “(II) interference by the whistle-  
20 blower with internal investigative  
21 processes; or

22 “(III) attempts at self-enrich-  
23 ment by the whistleblower.”;

24 (3) in subsection (h)—

25 (A) in paragraph (1)—



1 (i) in subparagraph (A)—

2 (I) in the matter preceding clause

3 (i)—

4 (aa) by striking “No em-  
5 ployer” and inserting “No em-  
6 ployer, prospective employer, or  
7 former employer, as applicable,”;  
8 and

9 (bb) by striking “a whistle-  
10 blower in the terms and condi-  
11 tions of employment because of  
12 any lawful act done by the whis-  
13 tleblower” and inserting “a whis-  
14 tleblower with respect to the com-  
15 pensation, terms, conditions, or  
16 privileges of employment of the  
17 whistleblower because of any law-  
18 ful act done by the whistleblower  
19 or perceived to have been done by  
20 the whistleblower (or any person  
21 acting pursuant to a request of  
22 the whistleblower), whether at  
23 the initiative of the whistleblower  
24 or in the ordinary course of the  
25 duties of the whistleblower”;

1 (II) in clause (i), by striking “or”  
2 at the end;

3 (III) in clause (ii), by striking  
4 the period at the end and inserting a  
5 semicolon; and

6 (IV) by adding at the end the fol-  
7 lowing:

8 “(iii) in objecting to, or refusing to  
9 participate in, any activity, policy, practice,  
10 or assigned task the whistleblower (or  
11 other such person) reasonably believed to  
12 be in violation of any law, rule, order,  
13 standard, or prohibition subject to the ju-  
14 risdiction of, or enforceable by, the Com-  
15 mission; or

16 “(iv) in providing, preparing to pro-  
17 vide, or assisting in the provision of infor-  
18 mation to the employer, the former em-  
19 ployer, the prospective employer, a person  
20 with supervisory authority over the em-  
21 ployee, or another such person working for  
22 the employer with the authority to inves-  
23 tigate, discover, or terminate as a result of  
24 misconduct relating to any violation of, or

1 any act or omission that the whistleblower  
2 believes to be a violation of any—

3 “(I) provision of this title;

4 “(II) other provision of law that  
5 is subject to the jurisdiction of the  
6 Commission; or

7 “(III) rule, order, standard, or  
8 prohibition prescribed by the Commis-  
9 sion.”;

10 (ii) in subparagraph (B), by adding at  
11 the end the following:

12 “(iv) BURDEN OF PROOF.—Except as  
13 otherwise provided in this section, com-  
14 plaints for relief shall be governed by the  
15 procedures, evidentiary standards, and  
16 burdens of proof in section 1057 of the  
17 Consumer Financial Protection Act of  
18 2010 (12 U.S.C. 5567).”; and

19 (iii) in subparagraph (C)—

20 (I) in clause (ii), by striking  
21 “and” at the end;

22 (II) in clause (iii), by striking the  
23 period at the end and inserting a  
24 semicolon; and

1 (III) by adding at the end the  
2 following:

3 “(iv) compensatory damages; and

4 “(v) punitive damages in an amount  
5 not greater than \$250,000.”; and

6 (B) in paragraph (2)—

7 (i) by striking subparagraph (A) and  
8 inserting the following:

9 “(A) IN GENERAL.—Except as provided in  
10 subparagraphs (B), (C), and (D), neither the  
11 Commission nor any officer or employee of the  
12 Commission may disclose any identifying infor-  
13 mation about a whistleblower who has provided  
14 information to the Commission—

15 “(i) unless the Commission has ob-  
16 tained the written consent of the whistle-  
17 blower;

18 “(ii) except in accordance with the  
19 provisions of section 552a of title 5,  
20 United States Code; or

21 “(iii) unless required to be disclosed  
22 to a defendant or respondent in connection  
23 with a public proceeding instituted by the  
24 Commission.”; and

1 (ii) by adding at the end the fol-  
2 lowing:

3 “(D) EXEMPTED STATUTE.—For purposes  
4 of section 552 of title 5, United States Code,  
5 this paragraph shall be considered a statute de-  
6 scribed in subsection (b)(3)(B) of such section  
7 552.”; and

8 (4) by adding at the end the following:

9 “(o) NON-WAIVERABILITY OF RIGHTS AND REM-  
10 EDIES.—An employer, former employer, or prospective  
11 employer, as applicable, may not take any action to impede  
12 an individual who is about to or has assisted or engaged  
13 in activity protected by this section, including—

14 “(1) issuing, proposing, initiating, enforcing, or  
15 threatening to enforce, a confidentiality agreement  
16 (other than agreements dealing with information  
17 covered by sections 240.21F–4(b)(4)(i) and  
18 240.21F–4(b)(4)(ii) of title 17, Code of Federal  
19 Regulations, as in effect on the date of the enact-  
20 ment of this subsection) with respect to such com-  
21 munications;

22 “(2) initiating, enforcing, or threatening to en-  
23 force any agreement, policy, form, or condition of  
24 employment, including by any predispute arbitration

1 agreement, that waives the rights and remedies pro-  
2 vided for in this section;

3 “(3) requiring the individual to waive, release,  
4 or assign any monetary award that the individual  
5 may receive from the Commission;

6 “(4) conditioning the right of the individual to  
7 receive any contractual or employment-related ben-  
8 efit on a waiver, release, or assignment described in  
9 paragraph (3);

10 “(5) requiring the individual to disclose to any  
11 private party whether the individual has, or in the  
12 future intends to, communicate with the staff of the  
13 Commission about a possible violation of this Act;

14 “(6) conditioning the right of the individual to  
15 receive any contractual or employment-related ben-  
16 efit on a representation that the individual has not  
17 communicated with, or provided documents or other  
18 information, to the staff of the Commission;

19 “(7) seeking civil or criminal liability for—

20 “(A) acquiring and communicating infor-  
21 mation to the Commission; or

22 “(B) engaging in other activity protected  
23 by this section;

24 “(8) seeking professional discipline through loss  
25 of license, certification, or other disciplinary activi-

1 ties for engaging in activity protected by this sec-  
2 tion;

3 “(9) seeking professional discipline of attorneys  
4 for representation of activities protected by this sec-  
5 tion, or any other action that obstructs the right to  
6 counsel of the individual; and

7 “(10) engaging in any other discrimination that  
8 would chill the exercise of activity protected by this  
9 section.

10 “(p) INTERNAL COMPLIANCE PROGRAMS.—The  
11 Commission shall issue regulations requiring each em-  
12 ployer—

13 “(1) to have a procedure in place for an em-  
14 ployee, applicant for employment, or former em-  
15 ployee who believes that violations of this section  
16 have occurred or are occurring at the place of em-  
17 ployment, prospective employment, or place of  
18 former employment to report—

19 “(A) directly to the chief executive officer  
20 of the employer;

21 “(B) to a representative appointed by and  
22 reporting directly to the chief executive officer  
23 who is specifically designated to receive such a  
24 report; or

1           “(C) through a hotline consistent with pro-  
2           fessional best practices to the audit committee  
3           of the board of directors; and

4           “(2) not to discriminate against an employee,  
5           applicant for employment, or former employee for  
6           making a report under paragraph (1).

7           “(q) EXTRATERRITORIALITY.—The protections pro-  
8           vided by this section shall apply to foreign nationals living  
9           outside the United States.”.

10 **SEC. 6. SARBANES-OXLEY ACT.**

11           Section 1514A of title 18, United States Code, is  
12           amended—

13           (1) in subsection (a)—

14           (A) in the matter preceding paragraph (1),  
15           by striking “in the terms and conditions of em-  
16           ployment because of any lawful act done by the  
17           employee” and inserting “with respect to com-  
18           pensation, terms, conditions, or privileges of  
19           employment because of any lawful act done by  
20           an employee, applicant for employment, or  
21           former employee or perceived to have been done  
22           by an employee, applicant for employment, or  
23           former employee (or any person acting pursu-  
24           ant to the request of such an individual),  
25           whether at the initiative of the employee, appli-



1           cant for employment, or former employee or in  
2           the ordinary course of the duties of the em-  
3           ployee, applicant for employment, or former em-  
4           ployee”;

5           (B) in paragraph (1)(C), by striking “; or”  
6           and inserting a semicolon;

7           (C) in paragraph (2), by striking the pe-  
8           riod at the end and inserting a semicolon; and

9           (D) by adding at the end the following:

10          “(3) in objecting to, or refusing to participate  
11          in, any activity, policy, practice, or assigned task the  
12          employee, applicant for employment, or former em-  
13          ployee (or other such person) reasonably believed to  
14          be in violation of any law, rule, order, standard, or  
15          prohibition subject to the jurisdiction of or enforced  
16          by the Securities and Exchange Commission; or

17          “(4) in providing, preparing to provide, or as-  
18          sisting in the provision of information to the em-  
19          ployer or a person with supervisory authority over  
20          the employee, applicant for employment, or former  
21          employee (or such other person working for the em-  
22          ployer who has the authority to investigate, discover,  
23          or terminate employment as a result of misconduct)  
24          relating to any violation of, or any act or omission

1 that the employee, applicant for employment, or  
2 former employee believes to be a violation of any—

3 “(A) provision of this title;

4 “(B) provision of law that is subject to the  
5 jurisdiction of the Securities and Exchange  
6 Commission; or

7 “(C) rule, order, standard, or prohibition  
8 prescribed by the Commission.”;

9 (2) in subsection (c)—

10 (A) in paragraph (2)(B), by inserting  
11 “double” before “the amount of”; and

12 (B) by adding at the end the following:

13 “(3) PUNITIVE DAMAGES.—Relief for any ac-  
14 tion under paragraph (1) may include punitive dam-  
15 ages in an amount not greater than \$250,000.”; and

16 (3) by adding at the end the following:

17 “(f) CONFIDENTIALITY.—Neither the Securities and  
18 Exchange Commission, the Secretary of Labor, nor any  
19 officer or employee of the Commission or the Secretary  
20 may disclose any identifying information about an em-  
21 ployee, applicant for employment, or former employee de-  
22 scribed in subsection (a) who has provided information to  
23 the Commission or the Secretary—

1           “(1) unless the Commission or the Secretary  
2           has obtained the written consent of the employee,  
3           applicant for employment, or former employee;

4           “(2) except in accordance with the provisions of  
5           section 552a of title 5; or

6           “(3) unless required to be disclosed to a defend-  
7           ant or respondent in connection with a public pro-  
8           ceeding instituted by the Commission or the Sec-  
9           retary.”.

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