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*State Farm Fire & Casualty Co. v. United States ex rel. Rigsby*, No. 15-513

The False Claims Act requires a *qui tam* relator—a private party authorized to seek recovery from

those who make false claims on the federal government—to file his or her complaint under seal. The

Supreme Court granted certiorari to decide what the remedy should be when the relator violates the

seal requirement by disclosing the existence of the lawsuit.

The merits briefing in the case focused on two issues: whether a violation of the seal requirement

always requires dismissal of the complaint; and, if not, what factors courts should consider in

deciding whether dismissal is appropriate in a particular case. In a short, unanimous decision by

Justice Kennedy issued today, the Supreme Court held that a seal violation may permit but does not

mandate dismissal of a relator's complaint. The Court declined, however, to describe the factors

that should inform the exercise of a court's discretion in deciding whether to dismiss. The Court

stated that three factors—actual harm to the government, severity of the violations, and evidence of

bad faith—“appear to be appropriate,” but left the standards for dismissal to be worked out “in the

course of later cases.” The Court went on to say that “monetary penalties or attorney discipline

remain available to punish and deter seal violations even when dismissal is not appropriate.”