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NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States* v. *Detroit Timber & Lumber Co.,* 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

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GRAHAM COUNTY SOIL AND WATER CONSERVATION DISTRICT ET AL. *v.* UNITED STATES EX REL. WILSON

CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FOURTH CIRCUIT

No. 08–304. Argued November 30, 2009—Decided March 30, 2010

The False Claims Act (FCA) authorizes both the Attorney General and private *qui tam* relators to recover from persons who make false or fraudulent payment claims to the United States, but it bars *qui tam* actions based upon the public disclosure of allegations or transactions in, *inter alia,* "a congressional, administrative, or Government Accounting Office [(GAO)] report, hearing, audit, or investigation." 31 U. S. C. §3730(e)(4)(A). Here, federal contracts provided that two North Carolina counties would remediate areas damaged by flooding and that the Federal Government would shoulder most of the costs. Respondent Wilson, then an employee of a local government body involved in this effort, alerted local and federal officials about possible fraud. Both the county and the State issued reports identifying potential irregularities in the contracts' administration. Subsequently, Wilson filed a *qui tam* action, alleging, as relevant here, that petitioners, county conservation districts and local and federal officials, knowingly submitted false payment claims in violation of the FCA. The District Court ultimately dismissed for lack of jurisdiction because Wilson had not refuted that her action was based upon allegations publicly disclosed in the county and state reports, which it held were "administrative" reports under the FCA's public disclosure bar. In reversing, the Fourth Circuit concluded that only federal administrative reports may trigger the public disclosure bar.

Held: The reference to "administrative" reports, audits, and investigations in §3730(e)(4)(A) encompasses disclosures made in state and local sources as well as federal sources. Pp. 4–21.

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(a) Section 3730(e)(4)(A) specifies three categories of disclosures that can deprive federal courts of jurisdiction over *qui tam* suits. The language at issue is contained in the second category (Category 2). Pp. 4–5.

(b) The FCA's plain text does not limit "administrative" to federal sources. Because that term modifies "report, hearing, audit, or investigation" in a provision about "the public disclosure" of fraud on the United States, it is most naturally read to describe government agency activities. But since "administrative" is not itself modified by "federal," there is no immediately apparent basis for excluding state and local agency activities from its ambit. The interpretive maxim *noscitur a sociis*—"a word may be known by the company it keeps," *Russell Motor Car Co.* v. *United States*, 261 U. S. 514, 519—does not support the Fourth Circuit's more limited view. In Category 2, "administrative" is sandwiched between the federal terms "congressional" and "[GAO]," but these items are too few and too disparate to qualify as "a string of statutory terms," *S. D. Warren Co.* v. *Maine Bd. of Environmental Protection*, 547 U. S. 370, 378, or "items in a list," *Beecham* v. *United States*, 511 U. S. 368, 371, for *noscitur a sociis* purposes. Furthermore, evaluating "administrative" within the public disclosure bar's larger scheme, the Court observes that Category 2's terms are themselves sandwiched between phrases in Category 1 ("criminal, civil, or administrative hearing") and Category 3 ("news media") that are generally understood to include nonfederal sources; and Category 1 contains the same term ("administrative") that is at issue. Even if Category 1 were best understood to refer to adjudicative proceedings and Category 2 to legislative or quasi-legislative activities, state and local administrative sources of a legislative-type character are presumably just as public, and just as likely to put the Federal Government on notice of a potential fraud, as state and local administrative hearings of an adjudicatory character. The FCA's overall federal focus shines no light on the specific question whether the public disclosure bar extends to nonfederal contexts. And the fact that state legislative sources are not included in §3730(e)(4)(A) carries no clear implications for the status of state administrative sources. Pp. 5–12.

(c) The legislative record does not support an exclusively federal interpretation of "administrative." The current §3730(e)(4)(A) was enacted to strike a balance between encouraging private persons to root out fraud and stifling parasitic lawsuits. How exactly the statute came to strike this balance as it did is uncertain, as significant substantive changes—including the introduction of "administrative" in Category 2—were inserted without floor debate or other discussion, as "technical" amendments. Though Congress wanted "to strengthen

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the Government's hand in fighting false claims," *Cook County* v. *United States ex rel. Chandler*, 538 U. S. 119, 133–134, and encourage more *qui tam* suits, it also determined to bar a subset of those suits that it deemed unmeritorious or downright harmful. The question here concerns that subset's precise scope; and on that matter, the record is all but opaque, leaving no "evident legislative purpose" to guide resolution of this discrete issue, *United States* v. *Bornstein*, 423 U. S. 303, 310. Pp. 12–18.

(d) Respondent's additional arguments in favor of limiting "administrative" to federal sources are unpersuasive. Pp. 18–20.

528 F. 3d 292, reversed and remanded.

STEVENS, J., delivered the opinion of the Court, in which ROBERTS, C. J., and KENNEDY, THOMAS, GINSBURG, and ALITO, JJ., joined, and in which SCALIA, J., joined except as to Part IV. SCALIA, J., filed an opinion concurring in part and concurring in the judgment. SOTOMAYOR, J., filed a dissenting opinion, in which BREYER, J., joined.