AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

I

119TH CONGRESS
2D SESSION

H. R. 10792

To provide incentives for and protect whistleblowers under the authority of the Federal Trade Commission, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 9, 2026

Ms. SCHAKOWSKY (for herself, Mrs. TRAHAN, and Mr. KEAN) introduced the following bill; which was referred to the Committee on Education and Workforce, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

---

A BILL

To provide incentives for and protect whistleblowers under the authority of the Federal Trade Commission, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''FTC Whistleblower Act of 2026''.

SEC. 2. PROTECTION OF WHISTLEBLOWERS.

(a) PROTECTION FROM RETALIATION.—A covered entity may not, directly or indirectly, discharge, demote,

suspend, threaten, harass, or in any other manner discriminate or take an adverse personnel action against an individual (or a group of individuals) because the individual (or group of individuals) does any of the following:

(1) Makes (or the covered entity suspects the individual or group of individuals has made or will make) a covered disclosure to—

(A) a qualified entity;

(B) a person with supervisory authority over the individual (or group of individuals); or

(C) another individual working for the covered entity who the individual (or group of individuals) reasonably believes has the authority to investigate, discover, or terminate the alleged violation in the covered disclosure or to take any other action to address such violation.

(2) Initiates, testifies, assists, or participates (or the covered entity expects will initiate, testify, assist, or participate) in an investigation conducted by a qualified entity or a judicial or administrative proceeding brought by a qualified entity relating to a covered violation.

(3) Objects to, or refuses to participate in, any activity, policy, practice, or assigned task that the

individual (or group of individuals) reasonably believes is an alleged covered violation.

(b) ENFORCEMENT.—

(1) CAUSE OF ACTION.—A whistleblower who alleges discharge or other discrimination by a covered entity in violation of subsection (a)—

(A) may bring an action governed by the procedures and burdens of proof in section 4712 of title 41, United States Code; or

(B) may bring an action in the appropriate district court of the United States—

(i) for the relief described in subsection (c);

(ii) governed by the burdens of proof in section 1221(e) of title 5, United States Code; and

(iii) in which the whistleblower shall be entitled to a trial by jury.

(2) STATUTE OF LIMITATIONS.—

(A) IN GENERAL.—An action under paragraph (1) may not be brought—

(i) more than 6 years after the date on which the violation of subsection (a) occurred; or

(ii) more than 3 years after the date on which facts material to the right of action are known or reasonably should have been known by the whistleblower alleging a violation of subsection (a).

(B) REQUIRED ACTION WITHIN 10 YEARS.—Notwithstanding subparagraph (A), an action under paragraph (1) may not be brought more than 10 years after the date on which the violation of subsection (a) occurred.

(3) WAIVER OF RIGHTS AND REMEDIES.—The rights and remedies provided in this section may not be waived by any policy, written document, or other condition relating to employment, including by a predispute arbitration agreement.

(4) PREDISPUTE ARBITRATION AGREEMENTS.—Notwithstanding any other provision of law, a predispute arbitration agreement may not be enforced with respect to an action under paragraph (1).

(5) RESTRICTIVE COVENANT AGREEMENTS.—Notwithstanding any other provision of law, an agreement in which a whistleblower is restrained by the covered entity that was the subject of a covered

disclosure from exercising a lawful profession, trade, or business of any kind may not be enforced.

(c) RELIEF.—Relief for any whistleblower who prevails in an action brought under subsection (b)(1) shall include—

(1) reinstatement with the same seniority status that the whistleblower would have had but for the discharge or discrimination;

(2) 3 times the amount of back pay owed to the whistleblower, with interest; and

(3) consequential and compensatory damages and compensation for litigation costs, expert witness fees, and reasonable attorneys' fees.

(d) COMMUNICATIONS.—

(1) PROHIBITION ON IMPEDING COVERED DISCLOSURE.—A covered entity may not take any action that impedes or prevents an individual from communicating directly with a qualified entity about a covered disclosure, including enforcing, or threatening to enforce, a confidentiality or non-disparagement agreement.

(2) COMMUNICATION WITH QUALIFIED ENTITIES.—A covered entity may not require the consent of the counsel of the covered entity for a qualified entity to communicate directly with an individual or

the attorney of an individual (if the individual is represented by an attorney) regarding a possible covered disclosure.

(3) ENFORCEMENT BY COMMISSION.—

(A) UNFAIR OR DECEPTIVE ACTS OR PRACTICES.—A violation of paragraph (1) or (2) shall be treated as a violation of a regulation under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)) regarding unfair or deceptive acts or practices.

(B) POWERS OF COMMISSION.—The Commission shall enforce paragraphs (1) and (2) in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this subsection, and any person who violates paragraph (1) or (2) shall be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act.

(e) CONFIDENTIALITY.—

(1) REQUIREMENT.—The Commission, any employee of the Commission, and any other entity to

which the Commission communicates may not disclose any information provided to the Commission, including information provided by a whistleblower, that could reasonably be expected to reveal the identity of a whistleblower.

(2) EXCEPTION.—Notwithstanding paragraph (1), if release of the information described in paragraph (1) is required by law, the whistleblower shall receive timely advance notice before such release.

(3) RULES OF CONSTRUCTION.—This paragraph may not be construed to prohibit—

(A) any disclosure described in section 21(d) of the Federal Trade Commission Act (15 U.S.C. 57b–2(d));

(B) a disclosure to any officer or employee of a Federal or State law enforcement agency or a foreign law enforcement agency under section 6(f) or 21(b)(6) of the Federal Trade Commission Act (15 U.S.C. 46(f), 57b–2(b)(6)); or

(C) a disclosure to which the whistleblower consents.

(f) RULES OF CONSTRUCTION.—

(1) COLLECTIVE BARGAINING.—Nothing in this section may be construed to diminish the rights, privileges, or remedies of any whistleblower under

any Federal or State law relating to collective bargaining or under any collective bargaining agreement.

(2) OTHER WHISTLEBLOWER PROTECTIONS.—

(A) Nothing in this section may be construed to preempt or supersede any other Federal or State law relating to whistleblower protections.

(B) Notwithstanding any other provision of law, a whistleblower shall be immune from civil and criminal liability for making a covered disclosure if the whistleblower would be protected from reprisal under section (a). The whistleblower shall bear the burden required under subsection (b) of proving that the whistleblower would be protected from reprisal under subsection (a) for making the disclosure. This section does not provide a defense against activities unrelated to conduct protected under subsection (a).

(3) AUTHORITY OF COMMISSION.—Nothing in this section may be construed to limit the authority of the Commission under any other provision of law.

SEC. 3. INCENTIVES FOR WHISTLEBLOWERS.

(a) AWARDS.—

(1) IN GENERAL.—If a whistleblower (or group of whistleblowers) voluntarily provides to the Commission original information regarding an alleged covered violation and such original information leads to the successful resolution of a covered action, the Commission, subject to subsection (b), shall pay an award to the whistleblower (or group of whistleblowers) in an aggregate amount of—

(A) not less than 10 percent, in total, of collected monetary sanctions imposed as a result of the relevant covered action; and

(B) not more than 30 percent, in total, of collected monetary sanctions imposed as a result of the relevant covered action.

(2) PAYMENT OF AWARDS.—Any amount paid under paragraph (1) shall be paid from the Fund.

(b) DETERMINATION AND DENIAL OF AWARDS.—

(1) DETERMINATION OF AWARDS.—

(A) DISCRETION.—The determination of the amount of an award to be made pursuant to subsection (a) shall be within the discretion of the Commission (subject to the requirements described in subsection (a)).

(B) CRITERIA.—In determining an award to be made pursuant to subsection (a), the Commission—

(i) shall take into consideration—

(I) the significance of the original information provided by the whistleblower to the successful resolution of the covered action;

(II) the degree of assistance provided by the whistleblower and any legal representative of the whistleblower in the covered action; and

(III) such additional factors as the Commission may establish; and

(ii) shall not take into consideration the balance of the Fund.

(2) DENIAL OF AWARDS.—Notwithstanding subsection (a), the Commission shall deny an award to any whistleblower to whom an award otherwise would be made pursuant to subsection (a) if the whistleblower—

(A) is convicted of a criminal violation related to the relevant covered action;

(B) acts without direction from a covered entity (or an agent of a covered entity) to delib-

erately cause or substantially contribute to the alleged covered violation underlying the relevant covered action;

(C) fails to provide the relevant original information to the Commission in the form the Commission requires; and

(D) was, at the time the whistleblower acquired the relevant original information, a member, officer, or employee of the Commission or a law enforcement agency and acquired the information while acting in the normal course of the employment duties of the whistleblower.

(c) REPRESENTATION.—

(1) PERMITTED REPRESENTATION.—A whistleblower may be represented by counsel.

(2) REQUIRED REPRESENTATION.—

(A) ANONYMOUS CLAIMS.—Any whistleblower who anonymously makes a claim for an award under subsection (a) shall be represented by counsel if the whistleblower anonymously submits the original information upon which the claim is based.

(B) DISCLOSURE OF IDENTITY.—Before the payment of an award described in subparagraph (A), the whistleblower shall disclose the

identity of the whistleblower and provide such other information as the Commission may require, directly or through counsel for the whistleblower.

(d) NO CONTRACT NECESSARY.—A contract with the Commission is not necessary for a whistleblower to receive an award pursuant to subsection (a).

(e) PROVISION OF FALSE INFORMATION.—A whistleblower who knowingly and intentionally makes any false, fictitious, or fraudulent statement or representation, or who knowingly and intentionally makes or uses any false writing or document containing any false, fictitious, or fraudulent statement or entry, may not receive an award pursuant to subsection (a).

(f) APPEALS.—

(1) IN GENERAL.—Any determination made under this section, including whether, to whom, or in what amount to make an award, shall be in the discretion of the Commission.

(2) APPEALS.—Any determination made by the Commission under this section may be appealed by a whistleblower to the appropriate court of appeals of the United States not later than 30 days after the date on which the determination is issued by the Commission.

(3) REVIEW.—The court shall review the determination made by the Commission in accordance with section 706 of title 5, United States Code.

(g) FEDERAL TRADE COMMISSION CONSUMER PROTECTION FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury of the United States a Fund to be known as the ''Federal Trade Commission Consumer Protection Fund''.

(2) USE OF FUND.—The Fund shall be available to the Commission, without further appropriation or fiscal year limitation, in order to pay for awards made to whistleblowers pursuant to subsection (a).

(3) DEPOSITS AND CREDITS.—

(A) IN GENERAL.—There shall be deposited into or credited to the Fund an amount equal to any monetary sanctions collected by the Commission in any covered action, unless the balance of the Fund at the time the monetary sanction is collected exceeds $500,000,000.

(B) ADDITIONAL AMOUNTS.—If the amounts deposited into or credited to the Fund under subparagraph (A) are not sufficient to pay an award made pursuant to subsection (a),

there shall be deposited into or credited to the Fund an amount equal to the unsatisfied portion of the award from any monetary sanctions collected by the Commission in the covered action on which the award is based.

(4) INVESTMENTS.—

(A) AMOUNTS IN FUND.—The Commission may request the Secretary of the Treasury to invest the portion of the Fund that is not required to meet the current needs of the Fund (as determined by the Commission).

(B) ELIGIBLE INVESTMENTS.—Investments shall be made by the Secretary of the Treasury in obligations of the United States or obligations that are guaranteed as to principal and interest by the United States, with maturities suitable to the needs of the Fund (as determined by the Commission).

(C) INTEREST AND PROCEEDS CREDITED.—The interest on, and the proceeds from, the sale or redemption of any obligations held in the Fund shall be credited to, and form a part of, the Fund.

(5) REPORTS TO CONGRESS.—Not later than October 30 of each year, the Commission shall sub-

mit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report on—

(A) the whistleblower award program established under this section, including a description of the number of awards made pursuant to subsection (a) and the types of cases in which such awards were made during the preceding fiscal year;

(B) the balance of the Fund at the beginning of the preceding fiscal year;

(C) the amounts deposited into or credited to the Fund during the preceding fiscal year;

(D) the amount of earnings on investments of amounts in the Fund during the preceding fiscal year;

(E) the amount paid from the Fund to pay for awards made to whistleblowers pursuant to subsection (a) during the preceding fiscal year;

(F) the balance of the Fund at the end of the preceding fiscal year; and

(G) a complete set of audited financial statements, including a balance sheet, income statement, and cash flow analysis.

(h) RULES OF CONSTRUCTION.—

(1) ORIGINAL INFORMATION.—Original information submitted to the Commission by a whistleblower in accordance with the requirements of this section shall not lose the status as original information solely because the whistleblower submitted the information before the effective date of any regulation issued under this Act if the information was submitted after the date of the enactment of this Act.

(2) AWARDS.—A whistleblower—

(A) may receive an award pursuant to subsection (a) regardless of whether the alleged covered violation underlying the covered action occurred before the date of the enactment of this Act; and

(B) may receive an award pursuant to subsection (a) before the Commission promulgates any regulation pursuant to this Act.

SEC. 4. RULEMAKING.

The Commission may promulgate, under section 553 of title 5, United States Code, any regulations the Commission determines necessary to carry out the provisions of this Act.

SEC. 5. DEFINITIONS.

In this Act:

(1) COMMISSION.—The term ''Commission'' means the Federal Trade Commission.

(2) COVERED ACTION.—The term ''covered action'' means any administrative or judicial action or proceeding, including any related administrative or judicial action, brought by the Commission, or by the Attorney General on behalf of the Commission, in relation to a covered violation and that results in monetary sanctions exceeding $1,000,000.

(3) COVERED DISCLOSURE.—The term ''covered disclosure'' means a formal or informal communication or transmission that an individual reasonably believes relates to an alleged covered violation, including such a communication or transmission of such a violation that is part of the normal employment duties of the individual.

(4) COVERED ENTITY.—The term ''covered entity'' means an entity or individual that is subject to the jurisdiction of the Commission.

(5) COVERED VIOLATION.—The term ''covered violation'' means—

(A) a violation of any law, rule, or regulation enforced by the Commission; or

(B) a violation of any order of the Commission after such order has become final and while such order is in effect.

(6) FUND.—The term ''Fund'' means the Federal Trade Commission Consumer Protection Fund established pursuant to section 3(g).

(7) MONETARY SANCTIONS.—The term ''monetary sanctions'', with respect to a covered action—

(A) means monies, including penalties, disgorgement, or interest, ordered or agreed to be paid as a result of such action; and

(B) does not include restitution (as determined by the Commission) for losses of, or relief necessary to redress injury to, consumers, other persons, partnerships, and corporations.

(8) ORIGINAL INFORMATION.—The term ''original information'' means information that—

(A) is derived from the independent knowledge or analysis of a whistleblower;

(B) is not known to the Commission from any other source, unless the whistleblower is the original source of the information; and

(C) is not exclusively derived from an allegation made in a judicial or an administrative action, governmental report, hearing, audit, or

investigation, or from the news media, unless the whistleblower is a source of the information.

(9) QUALIFIED ENTITY.—The term ''qualified entity'' means—

(A) the Commission;

(B) an agency (as defined in section 551 of title 5, United States Code) or a law enforcement agency; or

(C) any Member of Congress or committee of Congress.

(10) RELATED ADMINISTRATIVE OR JUDICIAL ACTION.—The terms ''related administrative action'' and ''related judicial action'' include any action brought by any appropriate Federal authority, a State attorney general in connection with any criminal investigation, or any appropriate State regulatory authority that is based upon the original information provided by a whistleblower that leads to the successful enforcement of the action by the Commission or the Attorney General on behalf of the Commission.

(11) WHISTLEBLOWER.—The term ''whistleblower'' means—

(A) an individual (or group of individuals) who is a current or former full-time, part-time,

or temporary employee, contractor, subcontractor (at any tier), grantee, subgrantee, or agent of a covered entity or employee of a contractor or subcontractor (at any tier) of the covered entity and who engages in any of the conduct described in paragraph (1), (2), or (3) of section 2(a), including as part of the employment duties of such individual or group; or

(B) any person that assists any such individual or group with such conduct.

○