

Syllabus

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 & WATER CONSERVATION
DISTRICT ET AL. *v.* UNITED STATES EX REL. WILSONCERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR
THE FOURTH CIRCUIT

No. 04–169. Argued April 20, 2005—Decided June 20, 2005

The False Claims Act (FCA) prohibits a person from making false or fraudulent claims for payment to the United States. 31 U. S. C. §3729(a). That prohibition may be enforced in suits filed by the Attorney General, §3730(a), and in *qui tam* actions brought by private individuals in the Government’s name, §3730(b)(1). A 1986 amendment to the FCA created a private cause of action for an individual retaliated against by his employer for assisting an FCA investigation or proceeding, §3730(h), and revised the FCA’s statute of limitations, §3731(b). Section 3731(b) provides that “[a] civil action under section 3730 may not be brought . . . more than 6 years after the date on which the violation of section 3729 is committed.” In 2001, respondent Wilson brought an FCA *qui tam* action against petitioners, along with an FCA retaliation claim. Petitioner Graham County Soil and Water Conservation District employed Wilson as a secretary. Wilson alleged that petitioner county officials retaliated against her for alerting federal officials to the purported fraud and for cooperating with the ensuing investigation, ultimately forcing her 1997 resignation from the District. Petitioners successfully moved to dismiss the retaliation claim as untimely, on the ground that North Carolina’s 3-year statute of limitations governed Wilson’s FCA action and barred it. Reversing, the Fourth Circuit found it unnecessary to borrow a state limitations period because one was supplied by §3731(b)(1).

Held: Section 3731(b)(1)’s limitations period does not govern §3730(h) retaliation actions. Instead, the most closely analogous state statute of limitations applies. Pp. 4–13.

(a) To determine the applicable statute of limitations for a cause of

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action created by federal statute, this Court asks first whether the statute expressly supplies a limitations period. If not, the most closely analogous state limitations period applies. Pp. 4–5.

(b) Section 3730(h) is a subsection of §3730, but §3731(b)(1) is nonetheless ambiguous about whether a §3730(h) retaliation action is “a civil action under section 3730” as that phrase is used in §3731(b)(1). Another reasonable reading is that §3731(b)(1)’s limitations period applies only to §§3730(a) and (b) actions. Section 3731(b)(1) starts the limitations period running on “the date on which the violation of section 3729 is committed,” that is, on the date the false claim was actually submitted. That language casts doubt on whether §3731(b)(1) specifies a limitations period for retaliation actions. For even a well-pleaded retaliation complaint need not allege that the defendant submitted a false claim, leaving the limitations period without a starting point if §3731(b)(1) is applicable. By contrast, the section naturally applies to well-pleaded §§3730(a) and (b) actions. Those actions require a plaintiff to plead that the defendant submitted a false claim and therefore necessarily specify when §3731(b)(1)’s time limit begins. At a minimum this anomaly shows that §3731(b)(1) is ambiguous about whether “action under section 3730” means all actions arising under that section. Pp. 5–7.

(c) Two considerations show that the better way to resolve this ambiguity is to read the 6-year period to govern only §§3730(a) and (b) actions. First, the very next subsection, §3730(c), uses the similarly unqualified phrase “action brought under section 3730” to refer only to §§3730(a) and (b) actions. Second, reading §3731(b)(1) to apply only to those actions is in keeping with the default rule that Congress generally drafts statutes of limitations to begin when the plaintiff has a complete and present cause of action. Where, as here, there are two plausible constructions, this Court should adopt the construction that starts the time limit running when the cause of action (here retaliation) accrues. This approach resolves §3731(b)(1)’s ambiguity in petitioners’ favor. Reading §3731(b)(1) to exclude retaliation actions will generally start the limitations period running when the cause of action accrues, for the likely analogous state statutes virtually all start when the retaliatory action occurs. However, under the reading favored by Wilson and the Government, the limitations period would begin at best on the date an actual or suspected FCA violation occurred, which would precede the retaliatory conduct. Pp. 7–12.

(d) The Court of Appeals should determine in the first instance the appropriate state statute of limitations to borrow. Pp. 12–13.

367 F. 3d 245, reversed and remanded.

THOMAS, J., delivered the opinion of the Court, in which REHNQUIST,

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C. J., and O'CONNOR, SCALIA, and KENNEDY, JJ., joined, and in which SOUTER, J., joined as to all but n. 2. STEVENS, J., filed an opinion concurring in the judgment. BREYER, J., filed a dissenting opinion, in which GINSBURG, J., joined.