## Congress Extends Emergency Funding Fix for CFTC Whistleblower Program

Article By:

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The Continuing Resolution bill <u>passed by Congress on March 14</u> includes an extension of <u>the</u> <u>emergency funding measure</u> saving the Commodity Futures Trading Commission (CFTC) Whistleblower Program from financial collapse.

"This step by Congress has saved the CFTC Whistleblower Program, which was in danger of becoming a victim of its own success," says <u>Kohn, Kohn & Colapinto</u> (KKC) founding partner <u>Stephen</u> <u>M. Kohn</u>. "42% of the CFTC's enforcement actions involve whistleblowers, thus the whistleblower program is absolutely crucial to the ability of the CFTC to carry out its mission of rooting out fraud, manipulation and abuse in the commodities markets."

"While this action by Congress is an important step, longer-term funding solutions are needed to ensure the CFTC Whistleblower Program can continue to thrive moving forward," Kohn, who also serves as Chairman of the Board of <u>National Whistleblower Center</u>, added. "The cap placed on the CFTC Whistleblower Program's fund is not compatible with the growth of the program over the years and must be addressed."

A Congressionally-set cap on the amount of monies which can be placed in the fund used to finance the CFTC Whistleblower Program has meant that large award payments could completely deplete the fund. Under the cap, only \$100 million is allowed to be placed in the fund, which is entirely financed by sanctions collected thanks to the whistleblower program. Back in 2021, CFTC officials warned members of Congress that the program had started delaying the processing of whistleblower cases due to a lack of funds and that the CFTC Office of the Whistleblower might be forced to furlough staff.

Later in 2021, Congress <u>passed emergency legislation</u> creating a separate fund for the Whistleblower Office, meaning that even if the award fund was depleted, the program could continue to function in working alongside whistleblowers to root out fraud and corruption.

This emergency measure expired at the end of the 2024 fiscal year but <u>a measure passed in January</u> <u>extended it through March 14, 2025</u>. Now, this emergency fix has been extended through September 30, 2025.

Saving the CFTC Whistleblower Program from financial collapse has been a major campaign of the National Whistleblower Center. It has set up an Action Alert allowing individuals to write to members of Congress urging them to pass a long-term solution.

Geoff Schweller also contributed to this article.

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