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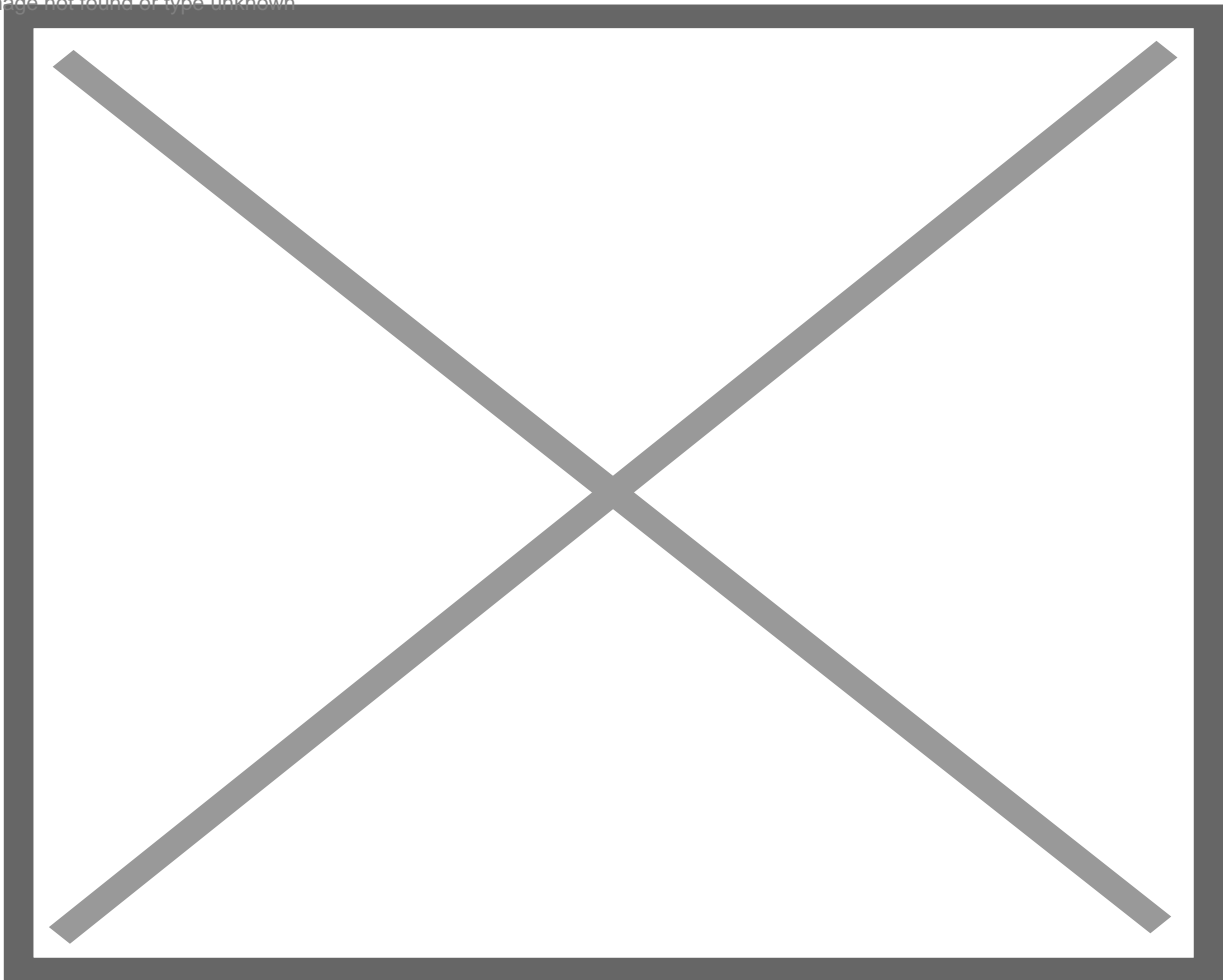
DOJ to Pay Informants Under New Program to Report Unlawful Entry, Visa Overstays, and Tariff Evasion

Modeled after existing whistleblower frameworks, the new DOJ initiative will offer cash rewards for credible tips that lead to enforcement actions, aiming to uncover immigration violations and customs fraud while raising concerns over misuse and fairness.

Federal / **Published On May 13, 2025 06:30 AM /**

Staff Consortium **May 13, 2025**

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The U.S. Department of Justice is reportedly preparing to launch a new whistleblower reward initiative aimed at encouraging individuals to provide credible information about immigration violations and tariff evasion, according to recent reports from outlets including The Wall Street Journal.

The effort, which has not yet been officially announced by DOJ officials, is intended to bolster enforcement of federal laws by incentivizing tipsters to expose conduct that might otherwise go undetected. The program, modeled after the DOJ's False Claims Act (FCA) whistleblower framework, could offer financial rewards of up to 30% of the first \$100 million in recovered assets and 5% of amounts between \$100 million and \$500 million in applicable cases.

The initiative will reportedly focus on two key areas: immigration violations, such as unlawful entry and visa overstays, and tariff evasion, including misreporting of goods to avoid duties.

The DOJ aims to enhance its enforcement capabilities in complex cases—such as transshipment schemes, in which goods are routed through third countries to bypass tariffs. The program is also part of a broader effort to reinforce compliance with U.S. trade and immigration laws.

On immigration enforcement, the program comes amid a reallocation of federal resources, including reports that thousands of agents previously focused on child exploitation and other crimes have been reassigned to deportation efforts, according to Reuters.

The planned reward structure closely follows precedents established by other DOJ programs, including the False Claims Act and the Rewards for Justice program operated by the State Department, which compensates individuals who contribute to national security objectives.

In August 2024, the DOJ launched a similar program targeting human smuggling networks, which officials say has already shown success and could be expanded under the new initiative.

Proponents argue that leveraging private citizens' knowledge—especially employees or competitors with inside information—is a practical and effective way to combat fraud and abuse in areas like tariff evasion, which is estimated to cost the U.S. billions annually.

“This is a pragmatic way to leverage public cooperation,” said a former DOJ official, speaking anonymously. “Whistleblower programs have a proven track record in areas like tax evasion and healthcare fraud, and applying that model here could yield similar results.”

Supporters emphasize that immigration networks and trade evasion schemes are often intricate and hidden from public view. Providing financial incentives may encourage those with firsthand knowledge, such as employers or community members, to come forward.

The initiative's goals include deterring bad actors, recovering lost revenue, and addressing chronic enforcement gaps—particularly in customs fraud, which has become a growing area of DOJ attention under both Democratic and Republican administrations.

Despite support from some policymakers and enforcement officials, the proposed initiative has also drawn criticism.

Immigration advocacy groups, including the American Civil Liberties Union (ACLU), have raised concerns that financial rewards could incentivize false or malicious reporting, especially in vulnerable immigrant communities. “Weaponizing communities against each other,” they warn, may erode trust in law enforcement and disproportionately affect people of color and non-citizens.

Legal experts caution that the broad definition of “immigration violations” could lead to the targeting of individuals for minor infractions, potentially overwhelming enforcement resources and diverting attention from more serious offenses.

The reliability of tips may also become an issue, with some critics warning of the potential for retaliatory or frivolous reports filed in personal or business disputes.

Some analysts note that focusing on tariff evasion could escalate trade tensions, particularly with countries accused of “nontariff cheating.” Peter Navarro, former trade advisor under Trump, has pointed to nations like Vietnam as conduits for transshipped goods, suggesting the program could trigger diplomatic strain with key trading partners.

The DOJ’s program would complement its growing use of the FCA to pursue customs fraud, which has led to multi-million-dollar settlements with companies found to have underpaid duties or misclassified goods.

Though reports suggest the program could roll out in the coming months, the DOJ has not yet released official guidelines or a launch date. Key issues still under consideration include:

- How the department will verify and investigate tips
- Protection mechanisms for whistleblowers
- Whether the program will prioritize high-value cases or also accept low-level violations
- The oversight structure to avoid abuse or politicization

Experts recommend that the DOJ adopt independent review mechanisms, clear criteria for rewards, and safeguards to protect both whistleblowers and those wrongly accused.

The proposed tipster program underscores the federal government’s evolving use of financial incentives to enforce complex regulations, particularly in areas traditionally difficult to monitor.

While the initiative may expand DOJ’s reach in uncovering and prosecuting fraud, it also raises questions about how to balance enforcement with fairness, prevent misuse, and maintain public trust.

As one legal analyst put it: “This program could be a game-changer, but only if it’s implemented with precision and fairness.”