



HOUSE BILL 715: SHRA/Stronger Whistleblower Protection.

2019-2020 General Assembly

Committee:	House Rules, Calendar, and Operations of the House	Date:	April 29, 2019
Introduced by:	Reps. Cleveland, Stevens, Warren, Riddell	Prepared by:	Samantha Yarborough* Staff Attorney
Analysis of:	Second Edition		

OVERVIEW: *House Bill 715 strengthens the whistleblower protections in the North Carolina Human Resources Act.*

CURRENT LAW: Article 14 of Chapter 126 of the General Statutes provides a statement of policy and protections for State employees reporting improper government activities.

BILL ANALYSIS: Section 1 would modify the statement of policy and duty to report improper government activities for State employees. This section would also do the following:

- Require State employees to report violations of state or federal law, fraud, misappropriation, dangers to public health and safety, gross mismanagement, gross waste of monies, or gross abuse of authority verbally or in writing to their department head or the State Auditor when there is evidence of an improper activity by a State department, agency, or institution.
- Add a requirement that the employee have a "reasonable belief" about the violation reported.
- Provide immunity from civil liability to any State employee who makes a report in good faith.
- Provide the identity of a State employee making a report will remain confidential and is not a public record until the matter is resolved or the employee consents to making the report public.
- Require the State Auditor to assist State employees in making reports to the State Auditor as an alternative to making them to their employing department, agency, or institution.
- Define good faith as "honesty in fact with the goal of complying with the duties imposed by this section."

Section 2 would make a conforming change to clarify that reports made in good faith are protected from retaliation.

Section 3 would clarify that each State department, agency, and institution must post notice and use other appropriate means to inform State employees of their duties and protections, and the availability of assistance from the State Auditor.

Section 4 would add a new section to Article 14 to allow a monetary reward to a State employee for a substantiated allegation of an improper governmental activity that involves fraud, mismanagement, or waste of State resources, if the report results in a savings to the State. The Office of State Budget and Management (OSBM) would be required to make a determination within 90 days of the date of the referral of the substantiated allegation of the amount of any savings to the State generated by the substantiated allegation. The reward would be twenty percent (20%) of the amount of the savings generated, as determined by the OSBM.

EFFECTIVE DATE: House Bill 715 would become effective when it becomes law and would apply to reports made or pending on or after that date.

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