



HOUSE BILL 7: Protect City Employees From Retaliation.

2021-2022 General Assembly

Committee:	House Local Government. If favorable, re-refer to Judiciary 1. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	February 23, 2021
Introduced by:	Reps. Hanig, Bradford, Hardister	Prepared by:	Billy R. Godwin Staff Attorney
Analysis of:	PCS to First Edition H7-CSBD-1		

OVERVIEW: *House Bill 7 would require city councils to adopt an ordinance to encourage city employees to report illegal or improper conduct to their supervisors or other appropriate authorities and to protect that employee from workplace retaliation based upon that reporting.*

The Proposed Committee Substitute (PCS) would clarify the authority of the city council to adopt the ordinance and would make stylistic and formatting changes to the bill.

The act would become effective October 1, 2021.

CURRENT LAW: The North Carolina Human Resources Act (NCHRA), Chapter 126 of the General Statutes, protects State employees and certain county employees from workplace retaliation or threats of workplace retaliation based upon reporting unlawful or improper conduct but the NCHRA does not apply to city employees. City councils have authority to adopt ordinances pertaining to city employees including leave, holidays, working conditions, service award and incentive award programs, and other policies and measures that promote the hiring and retention of capable, diligent, and honest career employees (G.S. 160A-164). City councils are not required to adopt ordinances specifically to protect city employees from workplace retaliation for reporting improper or illegal conduct occurring in the workplace.

BILL ANALYSIS: The PCS to H7 would require city councils to adopt an ordinance to establish a procedure for city employees to report (i) violations of federal, State, or city laws, ordinances, rules, or regulations, (ii) fraud, (iii) misappropriation of federal, State or city resources, (iv) any activity that poses a substantial and specific danger to public health and safety, and (v) gross mismanagement, including the gross waste of public monies or the gross abuse of authority. The ordinance would be required to protect the reporting employee from discharge, threats of or other discrimination against the employee regarding the employee's compensation, terms, conditions, location, or privileges of employment. Employees who know or have reason to know their report is inaccurate would not be protected. The city council would be required to post a notice of these rights in conspicuous locations in every room where five or more city employees are employed.

EFFECTIVE DATE: This act would be effective on October 1, 2021.

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Director



Legislative Analysis
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