

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

H.B. 715  
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30312-LR-105B

Short Title: SHRA/Stronger Whistleblower Protection. (Public)

Sponsors: Representatives Cleveland, Stevens, Warren, and Riddell (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO STRENGTHEN STATE HUMAN RESOURCES ACT WHISTLEBLOWER  
3 PROTECTIONS.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 126-84 reads as rewritten:

6 "§ 126-84. ~~Statement of policy.~~**policy; duty to report.**

7 (a) It is the policy of this State that State employees shall have a duty to report verbally  
8 or in writing to their ~~supervisor, department head, or other appropriate authority,~~ department head  
9 or the State Auditor evidence of activity by a State ~~agency~~ department, agency, or institution or  
10 State employee ~~constituting that the employee reasonably believes to be any of the following:~~

11 (1) A violation of State or federal law, rule or regulation.

12 (2) Fraud.

13 (3) Misappropriation of State resources.

14 (4) Substantial and specific danger to the public health and safety.

15 (5) Gross mismanagement, a ~~gross~~ waste of monies, or ~~gross~~ an abuse of  
16 authority.

17 (b) Further, it is the policy of this State that State employees be free of intimidation or  
18 harassment when reporting to public bodies about matters of public concern, including offering  
19 testimony to or testifying before appropriate legislative panels.

20 (c) Any State employee who makes a report under this section in good faith is immune  
21 from civil liability that might otherwise be incurred or imposed as a result of making the report.

22 (d) The identity of a State employee who makes a report in good faith under this Article  
23 is not a public record under Chapter 132 of the General Statutes, and the employee's identity shall  
24 remain confidential until the matter is resolved or the employee consents to the report being made  
25 public.

26 (e) For the purposes of this Article, "good faith" means honesty in fact with the goal of  
27 complying with the duties imposed by this section."

28 SECTION 2. G.S. 126-85 reads as rewritten:

29 "§ 126-85. ~~Protection from retaliation.~~**retaliation for good-faith reports.**

30 (a) No head of any State department, agency or institution or other State employee  
31 exercising supervisory authority shall discharge, threaten or otherwise discriminate against a  
32 State employee regarding the State employee's compensation, terms, conditions, location, or  
33 privileges of employment because the State employee, or a person acting on behalf of the  
34 employee, reports or is about to report, in good faith, verbally or in writing, any activity described  
35 in ~~G.S. 126-84, unless the State employee knows or has reason to believe that the report is~~  
36 ~~inaccurate.~~G.S. 126-84.



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1 (a1) No State employee shall retaliate against another State employee because the  
2 employee, or a person acting on behalf of the employee, reports or is about to ~~report, report in~~  
3 good faith, verbally or in writing, any activity described in G.S. 126-84.

4 (b) No head of any State department, agency or institution or other State employee  
5 exercising supervisory authority shall discharge, threaten or otherwise discriminate against a  
6 State employee regarding the employee's compensation, terms, conditions, location or privileges  
7 of employment because the State employee has refused in good faith to carry out a directive  
8 which in fact constitutes a violation of State or federal law, rule or regulation or poses a  
9 substantial and specific danger to the public health and safety.

10 (b1) No State employee shall retaliate against another State employee because the  
11 employee has refused in good faith to carry out a directive which may constitute a violation of  
12 State or federal law, rule or regulation, or poses a substantial and specific danger to the public  
13 health and safety.

14 (c) The protections of this Article shall include State employees who report in good faith  
15 any activity described in G.S. 126-84 to the State Auditor as authorized by G.S. 147-64.6B or to  
16 the Program Evaluation Division as authorized by G.S. 120-36.12(10).

17 (d) In addition to its investigative authority under G.S. 147-64.6B, the State Auditor shall  
18 assist State employees in making reports under this section directly to the State Auditor as an  
19 alternative to making reports to the employing State department, agency, or institution."

20 **SECTION 3.** G.S. 126-88 reads as rewritten:

21 "**§ 126-88. Notice of employee ~~protections and obligations.~~duties and protections.**

22 ~~It shall be the duty of an employer of a State employee to post notice in accordance with G.S.~~  
23 ~~95-9 or use other appropriate means to keep his employees informed of their protections and~~  
24 ~~obligations under this Article.~~Each State department, agency, and institution shall post notice in  
25 accordance with G.S. 95-9 and use other appropriate means to keep State employees informed of  
26 their duties and protections under this section and the availability of assistance from the State  
27 Auditor."

28 **SECTION 4.** Article 14 of Chapter 126 of the General Statutes is amended by adding  
29 a new section to read:

30 "**§ 126-89. Substantiated allegations; savings; employee rewards.**

31 (a) Each substantiated allegation of improper governmental activities made under this  
32 Article that involves fraud, mismanagement, or waste of State resources shall be immediately  
33 referred to and reviewed by the Office of State Budget and Management (OSBM). Within 90  
34 days of the date of referral, the OSBM shall determine the amount of any savings to the State  
35 generated by substantiated allegations.

36 (b) A State employee who makes a substantiated allegation under this section that results  
37 in a savings to the State is entitled to receive a monetary reward equal to twenty percent (20%)  
38 of the amount of the savings generated as determined by the Office of State Budget and  
39 Management."

40 **SECTION 5.** This act is effective when it becomes law and applies to reports made  
41 or pending on or after that date.