

Phone: 517/373-6466

EXTEND WHISTLEBLOWERS' PROTECTION ACT

House Bill 4704

Sponsor: Rep. Virg Bernero

Committee: Employment Relations,

Training and Safety

Complete to 9-7-01

A SUMMARY OF HOUSE BILL 4704 AS INTRODUCED 5-2-01

House Bill 4704 would amend the Whistleblowers' Protection Act to increase the penalty for violation of the law, and to extend the application of the law to some employees of contract agencies.

Currently an employee of the state or its subdivisions is protected by the Whistleblowers' Protection Act if he or she reports, or is about to report, violations of law, regulation, or rule to a public body, and also if he or she is requested by a public body to participate in an investigation. Under the law, "employee" means a person who performs a service for wages or other remuneration under a contract of hire, written or oral, express or implied. Employee includes a person employed by the state or a political subdivision of the state, except persons in the state classified civil service. "Employer" means a person who has one or more employees. Employer includes an agent of an employer and the state or a political subdivision of the state.

House Bill 4704 would add to the current definition of "employee" so that that "employee" would include, but not be limited to, all of the following: (i) a person employed by this state or a political subdivision of this state, except a person in the state classified civil service system, and (ii) a person who performs services on behalf of the state pursuant to a contract between that person's employer and the state. Further, the bill would retain the definition of "employer" but specify that employer would include, but not be limited to, all of the following: (i) an agent of an employer, and (ii) the state or a political subdivision of the state.

Finally, under current law a person who violates the Whistleblowers' Protection Act is liable for a civil fine of not more than \$500 (where a "person" is defined to mean an individual, sole proprietorship, partnership, corporation, association, or any other legal entity). House Bill 4704 would increase the penalty and specifies that a person, employer, or agent of an employer who violated the act would be liable for a civil fine of not more than \$10,000.

MCL 15.361 and 15.365

Analyst: J. Hunault

[■]This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.