THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 1540 Session of 2005

INTRODUCED BY STEIL, ARGALL, BARRAR, BOYD, CALTAGIRONE, CLYMER, CRAHALLA, FABRIZIO, FREEMAN, GINGRICH, HENNESSEY, HERMAN, HERSHEY, LEACH, LEH, MANDERINO, S. MILLER, O'NEILL, PRESTON, PYLE, ROHRER, RUBLEY, SAINATO, SAYLOR, B. SMITH, SOLOBAY, STERN, E. Z. TAYLOR, TIGUE AND YOUNGBLOOD, MAY 9, 2005

REFERRED TO COMMITTEE ON STATE GOVERNMENT, MAY 9, 2005

AN ACT

- Amending the act of December 12, 1986 (P.L.1559, No.169), entitled "An act providing protection for employees who 2 3 report a violation or suspected violation of State, local or Federal law; providing protection for employees who 5 participate in hearings, investigations, legislative inquiries or court actions; and prescribing remedies and penalties," further providing for definitions, remedies and 7 8 enforcement. 9 The General Assembly of the Commonwealth of Pennsylvania 10 hereby enacts as follows: 11 Section 1. The definitions of "good faith report," "public body" and "wrongdoing" in section 2 of the act of December 12, 12 1986 (P.L.1559, No.169), known as the Whistleblower Law, are 13
- amended to read:

Section 2. Definitions.

- 16 The following words and phrases when used in this act shall
- 17 have the meanings given to them in this section unless the
- 18 context clearly indicates otherwise:
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- 1 "Good faith report." A report of conduct defined in this act
- 2 as wrongdoing or waste which is made without malice or
- 3 consideration of personal benefit, other than self-protection,
- 4 and which the person making the report has reasonable cause to
- 5 believe is true. This includes reports made by the employee of
- 6 one public body concerning wrongdoings or waste by another
- 7 public body. A good faith report need not require conviction of
- 8 the offending party if the employee had a reasonable belief that
- 9 there existed a wrongdoing or if a reasonable person in the same
- 10 position could have reached the same conclusion.
- "Public body." All of the following:
- 12 (1) A State officer, agency, department, division,
- bureau, board, commission, council, authority or other body
- in the executive branch of State government.
- 15 (2) A county, city, township, regional governing body,
- 16 council, school district, special district or municipal
- 17 corporation, or a board, department, commission, council or
- 18 agency.
- 19 (3) Any other body which is created by Commonwealth or
- 20 political subdivision authority or which is funded in any
- amount by or through Commonwealth or political subdivision
- 22 authority or a member or employee of that body. This includes
- 23 any employer who receives funds in any amount, directly or
- 24 <u>indirectly, from a public body or uses funds administered by</u>
- a public body or is paid directly or indirectly by a public
- 26 <u>body or has a contract or agency relationship with a public</u>
- body.
- 28 * * *
- 29 "Wrongdoing." A violation which is not of a merely technical
- 30 or minimal nature of a Federal or State statute or regulation,

- 1 of a political subdivision ordinance or regulation or of a code
- 2 of conduct or ethics designed to protect the interest of the
- 3 public or the employer. This includes actions by employers that
- 4 have or could result in criminal charges, civil litigation, or
- 5 administrative action against the employer or would violate the
- 6 code of conduct for a governing professional organization.
- 7 Section 2. Sections 4(c) and 5 of the act are amended to
- 8 read:
- 9 Section 4. Remedies.
- 10 * * *
- 11 (c) Defense.--
- 12 (1) It shall be a defense to an action under this
- 13 section if the defendant proves by a preponderance of the
- evidence that the action by the employer occurred for
- separate and legitimate reasons, which are not merely
- 16 pretextual.
- 17 (2) "Separate" shall refer to an action by the employee,
- 18 independent of the reporting or wrongdoing or waste and not
- 19 discriminatory in nature, and would be the basis for the
- 20 <u>adverse action for all other similarly situated employees.</u>
- 21 (3) If the separate and legitimate reasons are not
- 22 discovered until after the adverse employment action, the
- 23 employee shall be entitled to attorney fees and back pay to
- the point of discovery.
- 25 (4) If the reporting of the wrongdoing or waste by the
- 26 <u>employee is shown to be a motivating factor in the adverse</u>
- 27 action, the employer must prove using a preponderance of the
- 28 evidence, that it would have made the decision absent the
- 29 <u>whistleblowing action. Evidence presented by either the</u>
- 30 employee or employer may be either direct or circumstantial.

- 1 * * *
- 2 Section 5. Enforcement.
- 3 A court, in rendering a judgment in an action brought under
- 4 this act, shall order, as the court considers appropriate,
- 5 reinstatement of the employee, the payment of back wages, full
- 6 reinstatement of fringe benefits and seniority rights, actual
- 7 damages or any combination of these remedies. A court may also
- 8 award the complainant all or a portion of the costs of
- 9 litigation, including reasonable attorney fees and witness fees,
- 10 if the court determines that the award is appropriate. Punitive
- 11 damages when deemed appropriate by the court, may be awarded up
- 12 to a maximum of \$300,000. Employees are eligible for a jury
- 13 <u>trial under this act.</u>
- 14 Section 3. This act shall take effect in 60 days.