

Date: March 4, 2021

To: Members of the House Judiciary 1 Committee

H.B.7 – Protect City Employees from Retaliation

*The North Carolina League of Municipalities, whose members include 540-plus cities and towns across the state, **OPPOSES** H.B. 7 for the following reasons:*

Bad apples will be protected

The language of the bill amounts to a get-out-of-jail free card for employees who face disciplinary action or have poor performance. The bill prohibits cities “from taking action against another employee who **reported** any of the activities described in this subsection.” An employee, by **merely reporting** any “violations of federal, State, or city laws, rules, or regulations,” can tie the hands of municipal employers and ensure he never gets fired. The “reporting” requirement does not have to be sworn or even alleged to be true. This policy will harm cities’ ability to hire and fire workers.

Expensive litigation – increased cost to taxpayers

This bill will create a cause of action for the *thousands* of city employees in the 550 cities and towns around the state. The employee need only claim that he or she is being fired because they “reported” a violation. The bill provides no administrative process. The result is that to go through with a firing the city will have to engage in litigation, which will end up in our general courts of justice. For cash-strapped cities with frugal budgets, this is going to result in ballooning legal costs, which will get passed on to taxpayers. If the response is to allow for attorney fees to be collected, in many cases collecting from individuals will become a fool’s errand.

Existing laws already cover these situations

The bill is unneeded. If an employee believes that he or she has been retaliated against for reporting unlawful activity, courts have recognized “wrongful discharge against public policy” as a cause of action. Bad actor employees can be fired. Finally, if city councils fail to act, city residents can always vote them out. If citizens believe that their city councils and city managers are corrupt, they can vote them out.

Unneeded burden on smaller municipalities

Many smaller municipalities do not have police departments, but this legislation would place this same mandate on them but not on the law enforcement agencies that police their communities.

PLEASE VOTE “NO” on this bill.