

Department of Planning and Budget 2009 Fiscal Impact Statement

1. Bill Number: HB1799

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron: Loupassi

3. Committee: Passed Both Houses

4. Title: **Fraud and Abuse Whistle Blower Protection Act.**

5. Summary: Establishes the Fraud and Abuse Whistle Blower Protection Act to protect whistle blowers from certain adverse employment actions. The bill defines "whistle blower" as an employee who reports or provides testimony of wrongdoing or abuse. Under the bill employers are prohibited from discharging, threatening, or otherwise discriminating or retaliating against a whistle blower. The bill establishes the Fraud and Abuse Whistle Blower Reward Fund, administered by the Division of State Internal Audit within the Department of Accounts to provide a monetary reward not to exceed \$5,000 to any person who has disclosed information of wrongdoing or abuse under the Act and the disclosure results in a savings of at least \$10,000.

6. Fiscal Impact Estimates: Final

7. Budget Amendment Necessary: See Item 8

8. Fiscal Implications: This bill creates a direct impact on the Department of Accounts (DOA). Specifically, the bill tasks the Division of State Internal Audit within DOA with maintaining the Fraud and Abuse Whistle Blower Reward Fund. In addition, the Division of State Internal Audit is tasked with creating eligibility requirements and procedures for filing reward claims against the fund. It is also assumed that the State Internal Auditor will on an ongoing basis, review any claims for reward and establish those eligible for payout. This will have an indeterminate fiscal impact on the agency, depending on the procedures established for filing claims and the number of claims submitted. This impact would primarily be in terms of additional staff time required to establish procedures, process claims, and make determinations of eligibility.

Much of the impact on DOA assumes that amounts are appropriated to the fund. The bill does not require an appropriation, but any such appropriation to the fund would necessitate a budget amendment. The House and Senate budget amendments do not appear to include an amendment for this purpose.

This bill may also have a fiscal impact on the Department of Employee Dispute Resolution in that it may increase the number of grievances handles by the agency. However, it is not possible to predict if this will result in any significant fiscal impact.

9. Specific Agency or Political Subdivisions Affected: Department of Accounts and the Department of Employment Dispute Resolution.

10. Technical Amendment Necessary: No

11. Other Comments: None

Date: 2/24/2009 JDH

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CC: Secretary of Finance

Secretary of Administration