

DEFENSE: THE WHISTLEBLOWER AMENDMENTS: GOOD INTENTIONS GONE AWRY?

Publication
Aug 1, 2004

The California Legislature passed SB 777 to significantly expand the rights and protections afforded employee whistleblowers. Certainly, encouraging employees to disclose corporate abuses as early as possible to prevent and minimize the consequences of corporate fraud is a laudable goal. Unfortunately, however, for every deserving employee these amendments protect, dozens of other employees will misuse these provisions to insulate themselves from legitimate corrective action or to strong-arm employers into lucrative and undeserved settlements. Moreover, glaring loopholes and vague language in these amendments impose unfair and counterproductive burdens on beleaguered California employers.

The next few years will reveal whether SB 777's enactment has actually stimulated the kind of employee whistleblowing that can serve as an early warning system to deter and minimize the fallout from corporate and government wrongdoing, as the Legislature intended, or whether these amendments have simply sparked a new crop of opportunistic and baseless employment claims.

This article appeared in the August 2004 issue of [*Bender's California Labor & Employment Bulletin*](#).