

alifornia Corporate Securities Law

Dropping a Dime in California

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In this recent <u>post</u>, I wrote about California's employee whistleblower legislation. California Labor Code § 1102.7 requires the California Attorney General to maintain a whistleblower hotline to receive calls from persons who have information regarding possible violations of state or federal statutes, rules, or regulations, or violations of fiduciary responsibility by a corporation or limited liability company to its shareholders, investors, or employees. California employers, moreover, are required to "prominently display" in lettering larger than size 14 point type a list of employees' rights and responsibilities under the whistleblower laws, including the telephone number of the whistleblower hotline. Cal. Labor Code § 1102.8. Oddly, the statute doesn't say where this prominent display is to be made.

What happens when you call the Attorney General's hotline (800-952-5225)? Well, you hear the following recorded message:

"Employees are encouraged to notify an appropriate government agency or law enforcement agency when they have reason to believe their employer is violating state or federal laws or regulations. An employer is prohibited by law from preventing an employee from exercising his or her rights as a whistleblower or retaliating against that employee.

"Your employer may not prohibit you from reporting violations of law, workplace safety issues or other state or federal regulations. If your employer tries to interfere with your rights or retaliates against you for whistleblowing, you may contact the California Labor Commissioner.

"For the office nearest you, go to the Labor Commissioner's website at www.dir.ca.gov or check the State government pages at the front of your telephone book under Labor Commissioner or Department of Industrial Relations, Division of Labor Standards Enforcement.

"If you need information about where to report violations of state or federal laws, regulations or workplace safety issues, press 1 now to speak to a member of our staff."

Please contact Keith Paul Bishop at Allen Matkins for more information kbishop@allenmatkins.com