

By: Reynolds

H.B. No. 3893

A BILL TO BE ENTITLED

AN ACT

Relating to the protection of whistleblowers, accountability in public and private sectors, and penalties for retaliatory actions.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Whistleblower Protection and Accountability Act of Texas."

SECTION 2. PURPOSE.

The purpose of this Act is to:

1. Strengthen protections for whistleblowers who report fraud, corruption, unlawful activities, or violations of public trust;

2. Deter retaliation against whistleblowers through civil and criminal penalties;

3. Promote transparency and accountability in government entities, law enforcement, and private-sector organizations.

SECTION 3. DEFINITIONS.

For the purposes of this Act, the following definitions apply:

1. Whistleblower - An employee, contractor, or volunteer who reports misconduct, fraud, corruption, safety violations, or unlawful activities in good faith.

2. Retaliation - Any adverse employment action,

1 including termination, demotion, suspension, harassment,
2 blacklisting, pay reduction, or other forms of discrimination.

3 3. Protected Disclosure - A good faith communication
4 regarding misconduct reported to a supervisor, compliance officer,
5 oversight body, law enforcement, or an elected official.

6 SECTION 4. SCOPE OF COVERAGE.

7 This Act applies to:

8 1. Public Sector Employees - State, county, municipal,
9 and law enforcement personnel.

10 2. Private Sector Employees - Employees of businesses
11 and nonprofit organizations operating in Texas.

12 3. Contractors and Volunteers - Individuals
13 performing services for an employer under contract or as unpaid
14 personnel.

15 SECTION 5. PROHIBITED RETALIATION.

16 (a) No employer, agency, or organization may engage in
17 retaliation against a whistleblower.

18 (b) Retaliation includes, but is not limited to:

- 19 1. Termination, suspension, or demotion;
20 2. Pay reduction or denial of benefits;
21 3. Workplace harassment or the creation of a hostile
22 work environment;
23 4. Blacklisting or any act that harms future
24 employment opportunities.

25 (c) Employers violating this provision may be subject to
26 criminal liability under Texas Penal Code § 39.06 (Misuse of
27 Official Information) and civil liability under Chapter 554, Texas

1 Government Code (Whistleblower Protection Act).

2 SECTION 6. WHISTLEBLOWER PROTECTIONS.

3 (a) Confidentiality: Whistleblower identities shall remain
4 confidential unless disclosure is required by law.

5 (b) Remedies for Retaliation:

6 1. Reinstatement to the same or equivalent position;

7 2. Compensation for lost wages, benefits, and
8 emotional distress;

9 3. Punitive damages and reimbursement of legal fees.

10 SECTION 7. MANDATORY REPORTING REQUIREMENTS.

11 (a) All employers in Texas shall establish:

12 1. Internal procedures for whistleblower disclosures;

13 2. Mandatory notification of employee rights under
14 this Act;

15 3. Supervisor and HR personnel training on handling
16 whistleblower complaints.

17 SECTION 8. TEXAS WHISTLEBLOWER OVERSIGHT COMMISSION
18 (TWOC).

19 (a) The Texas Whistleblower Oversight Commission (TWOC) is
20 hereby established as an independent body to:

21 1. Receive, investigate, and mediate whistleblower
22 complaints;

23 2. Recommend penalties for retaliatory actions;

24 3. Require annual reports from organizations
25 detailing whistleblower disclosures and remedial actions taken.

26 SECTION 9. TRANSPARENCY IN PUBLIC ENTITIES.

27 All Texas government agencies, including constables'

1 offices, shall:

2 (a) Submit quarterly budget reports disclosing funding
3 allocations for specialized units;

4 (b) Include whistleblower reports and resolutions for
5 public review under the Texas Public Information Act (Chapter 552,
6 Texas Government Code).

7 SECTION 10. LAW ENFORCEMENT ACCOUNTABILITY.

8 (a) No law enforcement agency, including constables'
9 precincts, may hire an officer previously dismissed for:

10 1. Official misconduct under Texas Penal Code § 39.02
11 (Abuse of Official Capacity);

12 2. Civil rights violations under Texas Penal Code §
13 39.03 (Official Oppression).

14 (b) Agencies must conduct thorough background checks and
15 periodic personnel reviews of all officers.

16 SECTION 11. LEGAL RECOURSE FOR WHISTLEBLOWERS.

17 (a) Whistleblowers may file civil lawsuits against
18 employers within three (3) years of retaliatory actions.

19 (b) Lawsuits may include:

20 1. Compensation for economic and emotional damages;

21 2. Recovery of legal fees and punitive damages;

22 3. Injunctive relief restoring employment or
23 benefits.

24 SECTION 12. AMENDMENTS TO TEXAS WHISTLEBLOWER ACT.

25 (a) Expansion of Protections:

26 1. Extends whistleblower protections to
27 private-sector employees;

2. Includes explicit safeguards for reporting constitutional and civil rights violations;

3. Aligns Texas laws with federal whistleblower protections under the Whistleblower Protection Enhancement Act (WPEA).

SECTION 13. PENALTIES FOR RETALIATION.

(a) Civil Penalties: Employers guilty of retaliation may face:

1. Fines up to \$500,000 per violation;

2. Compensatory damages for affected whistleblowers.

(b) Criminal Penalties:

3. Any employer obstructing a whistleblower disclosure may be charged under Texas Penal Code § 36.06 (Obstruction or Retaliation) and face imprisonment.

SECTION 14. ESTABLISHMENT OF WHISTLEBLOWER SUPPORT FUND.

(a) A state-funded program shall provide:

1. Financial assistance for whistleblowers facing legal proceedings;

2. Counseling services for whistleblowers and their families.

SECTION 15. ENFORCEMENT.

(a) The Texas Attorney General's Office shall oversee enforcement of this Act;

(b) The Texas Whistleblower Oversight Commission (TWOC) shall monitor compliance and publish an annual report to the Texas Legislature.

SECTION 16. EFFECTIVE DATE.

1 This Act shall take effect on January 1, 2025.

2 SECTION 17. SEVERABILITY.

3 If any provision of this Act is held invalid, the remainder of
4 the Act shall not be affected and shall continue in full force and
5 effect.