

## Press Releases

### 06/18/2008 | City Auditor Laura Doud Testifies on Whistleblower Legislation State Law Protects Those Who Report Fraud Against Local Governments

Long Beach City Auditor Laura Doud testified today before the California Senate Local Government Committee in support of AB 2001 (Swanson), commonly referred to as the "Whistleblower" legislation. This legislation would protect one's identity when reporting fraud or theft against municipalities.

The Senate Committee passed the bill which will now go back to the Assembly for approval of amendments and then if approved, to the Governor for signature.

"As a Certified Public Accountant and Certified Fraud Examiner, I know that fraud is a very serious problem for all local governments including the City of Long Beach. I believe we need to do everything we can to make it as secure and confidential as possible when people choose to speak up," City Auditor Laura Doud told the Committee. When people see fraudulent behavior, many are afraid to report it because they fear retaliation. This Whistleblower legislation will help to prevent that retaliation."

The Long Beach City Auditor's office recently implemented a "Fraud Hotline" that allows anyone to report fraud or theft against the City anonymously. Research shows that nearly 50% of fraud that is detected is due to a "tip." "We encourage all City employees, citizens, contractors and other interested parties to be alert and report any suspected fraud against the City," stated City Auditor Laura Doud.

In Long Beach, the City Attorney believes that several sections of the Public Records Act currently protect the identities of whistleblowers who call the Fraud Hotline, such as provisions protecting personnel records and disclosures that are against the public interest. This legislation would make whistleblower protections explicit so that residents of all cities could rest assured that their identities would be confidential when calling their local fraud hotlines.

City Auditor Laura Doud was invited to testify before the Committee by Oakland City Auditor Courtney Ruby who has led the charge for this Whistleblower legislation in Sacramento. The proposed Whistleblower legislation has gained significant support from others including City Controller/Auditor Laura Chick (Los Angeles), Ann-Marie Hogan (Berkeley), and the Association of Local Government Auditors.