Bloomberg: SEC Receives Record Number of Whistleblower Tips From Remote Employees

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A recent *Bloomberg* article reports that whistleblower complaints to the SEC have soared as employees have been working from home during the COVID-19 pandemic. According to the article, the SEC received 6,900 complaints in the fiscal year that ended on September 30, 2020 – a 31% jump from the previous 12-month record.

The article discusses how the isolation associated with working remotely has emboldened employees to speak out. The article quotes a former SEC official as stating: "It's never been easier to record a meeting when you can do it from your dining room table." The article also quotes a psychologist and professor who has studied the motivations of whistleblowers as stating: "[w]hen you feel disconnected from work, you feel more comfortable speaking up."

According to the article, because of the lag in time between complaints and SEC investigations, the impact of the recent explosion in whistleblower tips will be felt long after employees return to the office.

Notably, the *Bloomberg* article comes on the heels of our prediction last year that employers are likely to face a deluge of whistleblower claims under various laws and legal theories in the wake of the COVID-19 pandemic. As a result, employers should consider strengthening compliance policies and opening up additional channels for internal reporting of employee concerns.

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