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## Whistleblower skirmish

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Corporate America's top regulator, Mary Schapiro, is caught in the middle of a nasty tug-of-war over her agency's controversial plan to start paying corporate snitches for tips that help catch white-collar thugs.

The battle -- pitting companies against whistleblower advocates -- has gotten so heated that the two opposing sides are threatening to blow up Schapiro's unveiling of the Securities & Exchange Commission's finalized whistleblower program on May 25 unless they get their way.

If either side follows through and attempts to block the program -- either legislatively or through the courts -- it could tie up a resolution for years.

The brouhaha started last July when, in an effort to clean up Wall Street, Congress mandated rewards of up to 30 percent of anything over \$1 million the SEC collects in the wake of a whistleblower tip.

The program is currently active, but before anyone gets money for tattling on corporate thugs, including their employers, Schapiro must hammer out the logistics of how the program works. She has promised to unveil the details on Wednesday.

At the heart of the controversy is whether corporate snitches should be required to go through their employer's compliance program before tipping off the SEC.

The US Chamber of Commerce is leading the fight for one side, demanding Schapiro force corporate whistleblowers to report wrongdoing first to executives at their workplace.

In the opposite corner is a group of lawyers representing whistleblowers, who have formed the National Whistleblowers Center. They are demanding that Schapiro allow corporate whistleblowers to snitch wherever they feel is best -- so they won't be scared of reporting wrongdoing.

Stephen Kohn, of the National Whistleblower Center, is threatening to file "a judicial challenge" if the SEC requires whistleblowers to snitch to their companies before going to the SEC.

"There are not two levels of law -- one for everyone else and one for rich people, where if you commit a crime you should get a warning of it," he told The Post.

The Chamber, meanwhile, is threatening to support a bill that would require employees to go to their companies first.

"Responsible companies are being penalized because the SEC failed to pay attention to the whistleblower who repeatedly brought information to them about Bernard Madoff," Marcia Narine testified this month before Congress, on behalf of the Chamber. [kwhitehouse@nypost.com](mailto:kwhitehouse@nypost.com)

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