

74th OREGON LEGISLATIVE ASSEMBLY - 2007 Regular Session
STAFF MEASURE SUMMARY
House Committee on Elections, Ethics and Rules

MEASURE: HB 3126 A
CARRIER: Rep. Thatcher

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	7 - 0 - 0
Yeas:	Berger, Buckley, Esquivel, Hunt, Roblan, Thatcher, Rosenbaum
Nays:	-
Exc.:	-
Prepared By:	Jim Stenbridge, Administrator
Meeting Dates:	5/30

WHAT THE MEASURE DOES: Deletes receipts from calculating the threshold requiring audit or review of accounts and fiscal affairs of municipal corporations. Declares emergency; takes effect upon passage.

ISSUES DISCUSSED:

- Accountability for expenditures of tax dollars
- Threshold of dollar amounts requiring audits, and history of setting of those amounts
- Definitions of “audit” and “review”
- Example of audit required of the McMinnville Rural Fire Protection District
- Provisions and fate of similar measure considered by the 2005 Legislative Assembly

EFFECT OF COMMITTEE AMENDMENT: Replaces the original measure.

BACKGROUND: Under current law, cities and other municipal corporations must have their accounts audited once per year, either by accountants under contract with the governing body, or by the Secretary of State (SOS). The SOS Audits Division is responsible for reviewing audits of municipal corporations. Exceptions are provided for municipal corporations with total receipts and expenditures of less than \$150,000 that submit financial statements within 90 days of the end of each year and meet certain bonding requirements, and for municipal corporations with total receipts and expenditures between \$150,000 and \$500,000 that submit financial statements and meet a separate set of bonding requirements. HB 3126-A effectively raises the threshold—for triggering audits—by eliminating receipts in the formula.