

REVENUE: No fiscal impact

FISCAL: Fiscal statement issued

Action: Do Pass
Vote: 5 - 0 - 0
Yeas: Kruse, Metsger, Morse, Westlund, Walker
Nays: 0
Exc.: 0
Prepared By: Dana Richardson, Administrator
Meeting Dates: 1/18, 1/23

WHAT THE MEASURE DOES: Expands definition of persons who may be held accountable for loss of public funds or property. Requires state agency to report to the Secretary of State if \$100 or more dollars is lost. Directs state agencies to report discovery of loss within 30 days after discovery. Establishes 30 day limit for Division of Audits to determine whether to investigate loss .

ISSUES DISCUSSED:

- Alignment of practices with Government Standards & Practices Commission
- Need for clarity and standards in reporting requirements

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: ORS 297.120 requires state agencies to report in writing to the Secretary of State, Division of Audits, when they sustain a loss of public funds or property under circumstances involving a public officer. Currently, the term “public officer” is limited to elected or appointed state officers, including members of boards and commissions. SB 72 changes the definition of “public officer” to “public official” and expands it to include any person who serves a state agency as an officer, employee, member, agent or otherwise, regardless of whether the person is compensated for their services.

Current law does not specify a threshold amount of loss or timeframe for reporting losses. Audit Division expenses for conducting investigations are recovered either through the agency’s biennial audit assess, or, if a trust fund agency, from a billed rate.