

Enrolled
House Bill 2088

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Secretary of State Bill Bradbury)

CHAPTER

AN ACT

Relating to reports received by the Secretary of State; creating new provisions; and amending ORS 177.170 and 177.180.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 177.170 is amended to read:

177.170. (1) The Secretary of State shall establish a toll-free telephone line that is available to public employees and members of the public for the purpose of reporting waste, inefficiency or abuse by state agencies, state employees or persons under contract with state agencies.

(2) In addition to establishing a toll-free telephone line under subsection (1) of this section, the secretary shall also accept reports of waste, inefficiency or abuse by state agencies, state employees or persons under contract with state agencies made to the secretary by any other method.

~~[(2)]~~ (3) The toll-free telephone line **required to be** established under **subsection (1) of** this section shall be known as the Government Waste Hotline. The secretary ~~[of State]~~ shall prepare written notices that explain the purpose of the Government Waste Hotline~~. The notices shall~~ **and that** prominently display the telephone number for the Government Waste Hotline. The notice shall be posted in all state offices. If a state office is open to members of the public, the notice shall be posted in a place where the public is most likely to see the notice.

~~[(3)]~~ (4) The secretary ~~[of State]~~ shall publicize the availability of the Government Waste Hotline through print and electronic media.

SECTION 2. ORS 177.180 is amended to read:

177.180. (1) The Secretary of State shall designate one person employed by the Division of Audits of the Office of the Secretary of State to be responsible for reports of waste, inefficiency or abuse received through the Government Waste Hotline **or received by the secretary through any other method.** The person designated under this section shall log all reports received ~~[through the Government Waste Hotline].~~

(2) Notwithstanding any other provision of law, the identity of any person making a report ~~[through the Government Waste Hotline shall remain]~~ **under ORS 177.170 is** confidential. A report of waste, inefficiency or abuse received ~~[through the Government Waste Hotline]~~ **under ORS 177.170** and any resulting investigation ~~[shall remain]~~ **are** confidential unless the Secretary of State finds that waste, inefficiency or abuse has occurred and reports these findings as provided under subsection (4) of this section. If the Secretary of State finds that waste, inefficiency or abuse has occurred, a report of waste, inefficiency or abuse ~~[received through the Government Waste Hotline]~~ and

any resulting investigation [*shall remain*] **are** confidential until the investigation described in subsection (3) of this section is complete.

(3) The secretary [*of State*] shall conduct an initial investigation of each report of waste, inefficiency or abuse made [*by public employees and members of the public through the Government Waste Hotline*] **under ORS 177.170**. Following the initial investigation, the secretary shall determine which reports shall be investigated further and [*shall*] assign the investigation to audit staff qualified to conduct waste, inefficiency and abuse investigations. The secretary [*of State*] may audit any state agency if it appears that officers or employees of the agency, **or persons under contract with the agency**, are engaging in activities that constitute waste, inefficiency or abuse. Notwithstanding [*any provision of*] subsection (2) of this section:

(a) If the secretary [*of State*] determines during the investigation that a violation of any provision of ORS chapter 244 may be occurring or may have occurred, the secretary shall notify the Oregon Government Standards and Practices Commission **of the potential violation**; and

(b) If the secretary [*of State*] determines during the investigation that fraud or other criminal activity may be occurring or may have occurred, the secretary shall notify the appropriate law enforcement agency **of the potential fraud or other criminal activity**.

(4) Subject to the confidentiality requirements of subsection (2) of this section, upon completion of an investigation under this section:

(a) The secretary [*of State*] shall [*make a determination*] **determine in writing** whether officers or employees of a state agency, **or persons under contract with a state agency**, are engaging in activities that constitute waste, inefficiency or abuse. **The written determination may include other information about the nature of the investigation or the secretary's determination.**;

(b) [*The Secretary of State shall prepare a written determination and may include other information about the nature of the investigation performed by the Secretary of State or the secretary's determination.*] If the secretary [*of State*] finds that waste, inefficiency or abuse has occurred [*and if requested*], **upon request of the person who made the report under ORS 177.170, the secretary shall provide the person with a copy of the determination** [*with*] **and** any other information included by the secretary. [*of State shall be sent to the person who made the report of waste, inefficiency or abuse; and*]

(c) If the secretary [*of State*] determines that officers or employees of another state agency or public body, **or persons under contract with a state agency or public body**, are involved in activities that constitute waste, inefficiency or abuse, the secretary [*of State*] shall notify the state agency or public body of the determination and deliver a copy of the secretary's findings to the agency or body.

(5) A written [*summary*] **determination** prepared by the secretary [*of State*] under this section is a public record[, *and shall be made readily available for public inspection*].

(6) The secretary [*of State*] shall prepare an annual report and submit it to each regular session of the Legislative Assembly and to appropriate interim committees of the Legislative Assembly. The report shall describe the number, nature and resolution of reports made [*through the Government Waste Hotline*] **under ORS 177.170** and shall identify savings resulting from improved efficiencies or the elimination of waste or abuse resulting from reports received and investigations conducted under this section and ORS 177.170. The report shall also list the number and nature of any positive reports received relating to state agencies, state employees or persons under contract with state agencies.

SECTION 3. The amendments to ORS 177.170 and 177.180 by sections 1 and 2 of this 2007 Act apply to reports of waste, inefficiency or abuse received by the Secretary of State on or after the effective date of this 2007 Act.

Passed by House February 13, 2007

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Chief Clerk of House

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Speaker of House

Passed by Senate April 24, 2007

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President of Senate

Received by Governor:

.....M,....., 2007

Approved:

.....M,....., 2007

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Governor

Filed in Office of Secretary of State:

.....M,....., 2007

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Secretary of State