

Senate Bill 70

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Directs Secretary of State to enter into agreements with semi-independent state agencies and Oregon Tourism Commission to set financial review schedules. Deletes requirements that secretary set audit schedules for those entities.

Deletes requirement that Secretary of State audit or review state agency when director of agency retires.

Deletes requirement that Secretary of State post audit all disbursements made by Department of Veterans' Affairs from Conservatorship Revolving Account.

Repeals requirement that Secretary of State audit account of sheriff who performs service for state.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to audits by Secretary of State; creating new provisions; amending ORS 182.464, 182.472,
3 285A.277, 297.210 and 406.085; repealing ORS 206.320; and declaring an emergency.

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

5 **SECTION 1.** ORS 182.464 is amended to read:

6 182.464. [*ORS 182.456 to 182.472 do not affect the duty and authority of the Secretary of State to*
7 *audit public accounts.*] The Secretary of State shall enter into agreements with each of the boards
8 to set appropriate [*audit*] **financial review** schedules for those boards. The [*audit schedule*] **financial**
9 **review schedules** shall be set to allow board compliance with ORS 182.472. In lieu of conducting
10 [*an audit*] **a financial review**, the Secretary of State may elect to [*accept the report of*] **contract for**
11 **the financial review with** an independent certified public accountant.

12 **SECTION 2.** ORS 182.472 is amended to read:

13 182.472. Not later than January 1 of each even-numbered year, each board subject to ORS
14 182.456 to 182.472 shall submit a report to the Governor, the President of the Senate, the Speaker
15 of the House of Representatives and the Legislative Fiscal Officer. The Legislative Fiscal Officer
16 shall review the reports and shall prepare and submit a statement of findings and conclusions to the
17 Joint Legislative Audit Committee. The report must include the following:

18 (1) A copy of the most recent [*audit*] **financial review** of the board.

19 (2) A copy of the actual budget for the prior biennium and a copy of the board's adopted budget
20 for the biennium in which the report is made. The budget documents must show:

21 (a) The beginning balance and ending balance for each of the two biennia;

22 (b) A description of material changes between the two biennia;

23 (c) A description of the public hearing process used to establish the budget adopted for the
24 current biennium; and

25 (d) A description of current fees and proposed changes to fees, along with information support-

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 ing the amounts of the current fees and any proposed changes to the fees.

2 (3) A description of all temporary and permanent rules adopted by the board since the last re-
 3 port was submitted.

4 (4) A description of board actions promoting consumer protection that were taken since the last
 5 report was submitted.

6 (5) If the board issues licenses, a description of the board’s licensing activities performed since
 7 the last report that is adequate to allow evaluation of the board’s performance of its licensing re-
 8 sponsibilities, including:

- 9 (a) The number of license applications;
- 10 (b) The number of licenses issued;
- 11 (c) The number of examinations conducted;
- 12 (d) The average time between application for and issuance of licenses;
- 13 (e) The number and types of complaints received about persons holding licenses;
- 14 (f) The number and types of investigations conducted;
- 15 (g) The number and types of resolutions of complaints;
- 16 (h) The number and type of sanctions imposed; and
- 17 (i) The number of days between beginning an investigation and reaching a resolution.

18 (6) A description of all other actions taken since the last report in the performance of the
 19 board’s statutory responsibilities that is adequate to allow evaluation of the board’s performance.

20 **SECTION 3.** ORS 297.210 is amended to read:

21 297.210. (1) The Secretary of State, as State Auditor, shall have the accounts and financial af-
 22 fairs of state departments, boards, commissions, institutions and state-aided institutions and agencies
 23 of the state reviewed or audited as the Secretary of State considers advisable or necessary. The
 24 Secretary of State may subpoena witnesses, require the production of books and papers and ren-
 25 dering of reports in such manner and form as the Secretary of State requires and may do all things
 26 necessary to secure a full and thorough investigation. The Secretary of State shall report, in writing,
 27 to the Governor. The report shall include a copy of the report on each audit.

28 *[(2) An audit or review shall be made of any institution or department of the state government at*
 29 *any time the executive head of the institution or department, for any reason, retires from the head’s*
 30 *office or position.]*

31 *[(3)]* (2) The Secretary of State shall employ auditors upon such terms and for such compen-
 32 sation as the Secretary of State determines are advantageous and advisable.

33 *[(4)]* (3) If a person fails to comply with any subpoena issued under subsection (1) of this section,
 34 a judge of the circuit court of any county, on application of the Secretary of State, shall compel
 35 obedience by proceedings for contempt as in the case of disobedience of the requirements of a
 36 subpoena issued from the circuit court.

37 **SECTION 4.** ORS 406.085 is amended to read:

38 406.085. The Conservatorship Revolving Account is created, separate and distinct from the
 39 General Fund, to provide for disbursement of funds for the beneficiary. Funds may also be disbursed
 40 from the Conservatorship Revolving Account to the Conservatorship Services Account in compen-
 41 sation for claims arising under ORS 406.100. The Conservatorship Revolving Account shall consist
 42 of all money received by the Department of Veterans’ Affairs as conservator or personal represen-
 43 tative herein. Disbursement from the account shall be made by the department[, *and the Secretary*
 44 *of State shall post audit all the disbursements*]. Interest earned by the account shall be credited to
 45 the account.

1 **SECTION 5.** ORS 285A.277 is amended to read:

2 285A.277. [*ORS 285A.255 to 285A.288 do not affect the duty and authority of the Secretary of State*
 3 *to audit public accounts.*] The Secretary of State shall enter into agreements with the Oregon
 4 Tourism Commission to set an appropriate [*audit*] **financial review** schedule for the commission. In
 5 lieu of conducting [*an audit*] **a financial review**, the Secretary of State may elect to [*accept the re-*
 6 *port of*] **contract for the financial review with** an independent certified public accountant.

7 **SECTION 6.** ORS 206.320 is repealed.

8 **SECTION 7.** (1) The amendments to ORS 182.464 and 182.472 by sections 1 and 2 of this
 9 2007 Act apply to financial review schedules for financial reviews to be included in reports
 10 to be submitted to the Governor and the Legislative Assembly not later than the date on
 11 which the Seventy-fifth Legislative Assembly convenes.

12 (2) The amendments to ORS 297.210 by section 3 of this 2007 Act apply to audits or re-
 13 views required to be made of an institution or department of state government when the
 14 executive head of the institution or department retires on or after the effective date of this
 15 2007 Act.

16 (3) The amendments to ORS 406.085 by section 4 of this 2007 Act apply to disbursements
 17 made from the Conservatorship Revolving Account on or after the effective date of this 2007
 18 Act.

19 (4) The repeal of ORS 206.320 by section 6 of this 2007 Act applies to services performed
 20 by a sheriff on behalf of the state on or after the effective date of this 2007 Act.

21 **SECTION 8.** This 2007 Act being necessary for the immediate preservation of the public
 22 peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect
 23 on its passage.

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