# Seventy-Eighth Oregon Legislative Assembly - 2015 Regular Session MEASURE: HB 2173 STAFF MEASURE SUMMARY CARRIER: Rep. Barton

**House Committee On Judiciary** 

**Fiscal:** No Fiscal Impact **Revenue:** No Revenue Impact

Action Date: 02/03/15 Action: Do Pass. Meeting Dates: 02/03

**House** 

Yeas: 8 - Barker, Barton, Greenlick, Williamson, Olson, Post, Sprenger, Lininger

Exc: 1 - Krieger

**Prepared By:** Channa Newell, Counsel

#### WHAT THE MEASURE DOES:

Requires Secretary of State to report suspected fraud or other criminal activity found in course of audit to appropriate law enforcement agencies. Declares emergency; effective on passage.

#### **ISSUES DISCUSSED:**

- Current audit policies
- Secretary of State does not possess clear authority to report
- Provisions of measure

### **EFFECT OF COMMITTEE AMENDMENT:**

No amendment.

## **BACKGROUND:**

The Secretary of State (SOS) is charged with the duty to review or audit the accounts and financial affairs of state agencies and departments, boards, commissions, and institutions. The audit power extends to school districts and educational service districts and funds transferred to counties, including lottery revenues, state highway funds, cigarette tax revenues, and Oregon Liquor Control Commission funds. Recent audits include Annual Reports on Oregon State Lottery Enterprise Funds, the Oregon Public Employees Retirement System, and the Oregon University System.

House Bill 2173 gives the SOS the clear authority to report suspected fraud or other criminal activities to the proper law enforcement agencies when suspected fraud is found in the course of an audit.