

**PROPOSED AMENDMENTS TO  
HOUSE BILL 2174**

1 On page 1 of the printed bill, line 2, after “297.425” insert “, 297.465”.

2 On page 3, after line 13, insert:

3 **“SECTION 3.** ORS 297.465 is amended to read:

4 “297.465. (1) The Secretary of State, in cooperation with the Oregon Board  
5 of Accountancy, and in consultation with the Oregon Society of Certified  
6 Public Accountants, shall prescribe the minimum standards for conducting  
7 audits of municipal corporations, preparing the resulting audit reports and  
8 expressing opinions upon the financial condition and results of operation for  
9 the period under audit. The expression of opinion shall be signed by the ac-  
10 countant signing the contract, or in the case of a partnership or professional  
11 corporation, by a partner or stockholder who is an accountant as defined in  
12 ORS 297.405, who has personally conducted the audit to an extent satisfac-  
13 tory to the Secretary of State and to the municipal corporation.

14 “(2) The municipal corporation shall be furnished with a written audit  
15 report, containing a signed expression of opinion, in the form prescribed by  
16 the Secretary of State. A copy of the audit report shall be furnished to each  
17 person who was a member of the governing body at the end of the calendar  
18 or fiscal year and to each member of the current governing body. Other  
19 copies shall be furnished the municipal corporation as are requested by the  
20 chairperson of the governing body or the managing or executive officer. The  
21 accountant shall furnish the audit report to the municipal corporation within  
22 six months after the close of the calendar or fiscal year under audit, except

1 that the Secretary of State, for good cause shown, may grant to the ac-  
2 countant a reasonable extension of time, **not to exceed six months.**

3 “(3) The municipal corporation shall file one copy of its audit report with  
4 the Secretary of State. The report shall be subject to review by the Secretary  
5 of State, who may also require submission of the supporting documentation  
6 and audit programs of the accountant. If an audit, audit report or expression  
7 of opinion is found by the Secretary of State not to be in accordance with  
8 the prescribed standards, the Secretary of State shall request compliance. If  
9 the accountant fails to comply with the request, the Secretary of State shall  
10 so report to the Oregon Board of Accountancy, which thereupon may remove  
11 or suspend the name of the accountant from the roster required by ORS  
12 297.670.

13 “(4) Audit reports or financial statements filed with the Secretary of State  
14 as required by ORS 297.405 to 297.555 shall include the names, mailing ad-  
15 dresses and titles of the officers and members of the governing board of the  
16 municipal corporation. The report or statement of a special district shall  
17 include the name of its registered agent and the address of its registered  
18 office as provided by ORS 198.335 to 198.365.”.

19 In line 14, delete “3” and insert “4” and after “297.425” delete the rest of  
20 the line and insert “, 297.465 and 297.466 by sections 1 to 3 of this 2015”.

21 In line 17, delete “4” and insert “5”.

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