

SB 21 STAFF MEASURE SUMMARY

Senate Committee On Business and Transportation

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WHAT THE MEASURE DOES:

Provides authorization to the Oregon Board of Accountancy to disclose confidential information to certain public entities. Requires public entities receiving such information to take reasonable steps to maintain the confidentiality of the information. Declares emergency, effective on passage.

FISCAL: Minimal fiscal impact, no statement issued

REVENUE: No revenue impact

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

BACKGROUND:

The Oregon Board of Accountancy is the state agency responsible for licensing and providing oversight of over 9,100 certified public accountants, municipal auditors and public accounting firms. As part of this responsibility, the Board is authorized to take disciplinary action against firms and individuals, including revocation or suspension of privileges or censure, for violations including fraud, gross negligence, incompetence, criminal violations, and violations of statutory requirements. To this end, the Board is also authorized to conduct investigations of alleged violations subject to Board discipline.

House Bill 2067 (2011) permitted the Board to hold back information related to investigations from disclosure while the investigation was pending. Prior to that measure's passage, all investigatory information was completely public, even confidential information or other information not otherwise subject to public disclosure which raised concerns about unnecessary and potentially damaging disclosure during investigations. This change, however, did not authorize the Board to cooperate with law enforcement and other state and federal regulatory entities while the investigation is pending, meaning that those entities were required to issue a subpoena to access the information.

Senate Bill 21 allows the Board of Accountancy to share information as necessary with law enforcement, district attorneys and the Oregon Department of Justice while an investigation is pending. The receiving agencies and entities are directed to take reasonable steps to maintain confidentiality of the information.