

HB 2454-1
(LC 2604)
5/16/25 (DJ/ps)

Requested by Representatives BOWMAN, WALLAN

**PROPOSED AMENDMENTS TO
HOUSE BILL 2454**

1 On page 1 of the printed bill, line 3, after “244.050,” insert “276A.306,”.

2 Delete lines 6 through 24 and delete pages 2 through 9 and insert:

3 **“SECTION 1. (1) The Joint Legislative Audit Committee, with the**
4 **approval of the President of the Senate and the Speaker of the House**
5 **of Representatives, shall select a Legislative Performance Oversight**
6 **and Government Accountability Officer, who shall serve at the pleas-**
7 **ure of the committee.**

8 **“(2) Subject to the limitations otherwise provided by law for ex-**
9 **penses of state officers, the officer shall be reimbursed for actual and**
10 **necessary expenses incurred or paid by the officer in the performance**
11 **of duties of the officer.**

12 **“SECTION 2. (1) The Legislative Performance Oversight and Gov-**
13 **ernment Accountability Officer shall, subject to available resources**
14 **and at the direction of the Joint Legislative Audit Committee:**

15 **“(a) Investigate, review the activities and actions of, and conduct**
16 **oversight of executive branch agencies, programs and functions to**
17 **identify opportunities and areas of improvement to make agency**
18 **functions, operations and programs more effective, transparent and**
19 **responsive;**

20 **“(b) Take in and act upon complaints made by members of the**
21 **public concerning executive branch agency actions by investigating**

1 and ascertaining the extent to which agency functions or program
2 objectives are aligned with authorizing legislation and being met, and
3 report findings to the committee and complainants;

4 “(c) Conduct performance audits of executive branch agencies or
5 programs and report findings to the committee;

6 “(d) Undertake other evaluations, audits or tasks described in ORS
7 171.585;

8 “(e) Report to the appropriate policy and budget committees of the
9 Legislative Assembly on the results of audits undertaken by the officer
10 or by the Division of Audits, including supplying any relevant infor-
11 mation related to an audit the officer is reporting on;

12 “(f) Issue reports, findings and studies on the work undertaken by
13 the officer; and

14 “(g) Perform other related duties as assigned.

15 “(2) The officer may employ and fix the compensation of such pro-
16 fessional assistants and other employees as the officer deems neces-
17 sary for the work under the charge of the officer.

18 “(3) The officer may enter into contracts to carry out the functions
19 of the officer.

20 “SECTION 3. ORS 171.580 is amended to read:

21 “171.580. (1) There is created a Joint Legislative Audit Committee con-
22 sisting of the cochairs of the Joint Committee on Ways and Means, members
23 of the House of Representatives appointed by the Speaker and members of
24 the Senate appointed by the President.

25 “(2) The committee has a continuing existence and may meet, act and
26 conduct its business during sessions of the Legislative Assembly or any re-
27 cess thereof and in the interim between sessions.

28 “(3)(a) The term of a member shall expire upon the earlier of:

29 “(A) The date of the convening of the odd-numbered year regular session
30 of the Legislative Assembly next following the commencement of the

1 member's term; or

2 “(B) The date of the convening of an organizational session of the odd-
3 numbered year regular session of the Legislative Assembly next following the
4 commencement of the member's term.

5 “(b) When a vacancy occurs in the membership of the committee in the
6 interim between an odd-numbered year regular session and the earlier of the
7 date of the convening of the next following odd-numbered year regular ses-
8 sion or the date of the convening of an organizational session of the next
9 following odd-numbered year regular session, until such vacancy is filled, the
10 membership of the committee shall be considered not to include the vacant
11 position for the purpose of determining whether a quorum is present and a
12 quorum is a majority of the remaining members.

13 “(4) Members of the committee shall receive an amount equal to that
14 authorized under ORS 171.072 from funds appropriated to the Legislative
15 Assembly for each day spent in the performance of their duties as members
16 of the committee or any subcommittee thereof in lieu of reimbursement for
17 in-state travel expenses. However, when engaged in out-of-state travel,
18 members shall be entitled to receive their actual and necessary expenses
19 therefor in lieu of the amount authorized by this subsection. Payment shall
20 be made from funds appropriated to the Legislative Assembly.

21 “(5) The committee may not transact business unless a quorum is present.
22 A quorum consists of a majority of committee members from the House of
23 Representatives and a majority of committee members from the Senate.

24 “(6) Action by the committee requires the affirmative vote of a majority
25 of committee members from the House of Representatives and a majority of
26 committee members from the Senate.

27 “(7) The Legislative [*Fiscal Office*] **Performance Oversight and Gov-**
28 **ernment Accountability Officer** shall furnish to the committee such ser-
29 vices of personnel and such other facilities as are necessary to enable the
30 committee to carry out its functions as directed by law, with such assistance

1 as the Division of Audits and Oregon Department of Administrative Services
2 can provide.

3 **“SECTION 4.** ORS 171.585 is amended to read:

4 “171.585. (1) The Joint Legislative Audit Committee shall:

5 “(a) Select audit reports for review and make recommendations for change
6 or remediation by the audited entity to the Emergency Board, the Joint In-
7 terim Committee on Ways and Means, the Joint Committee on Ways and
8 Means or other appropriate legislative committees and to other persons re-
9 ceiving the audit report under ORS 192.245.

10 “(b) Review requests for performance audits and proposed legislation re-
11 lating to audits.

12 “(c) Recommend audits and audit follow-up reviews to be conducted by the
13 Division of Audits **or by the Legislative Performance Oversight and**
14 **Government Accountability Officer.**

15 “(d)(A) Review **audits and** audit follow-up reviews completed by legisla-
16 tive staff.

17 “(B) Select audit follow-up reviews completed by the Division of Audits
18 for review.

19 “(e) Assign tasks related to the duties of the Joint Legislative Audit
20 Committee to the Legislative [*Fiscal Office*] **Performance Oversight and**
21 **Government Accountability Officer**, including directing [*staff*] **the officer**
22 to conduct performance assessments of state agency programs and manage-
23 ment, reviews of agency or statewide processes, sunset reviews, change of
24 director reviews, reviews of audits conducted by the Secretary of State or
25 contract auditors and audit follow-up reviews. The [*Legislative Fiscal*] officer
26 shall notify the Division of Audits before conducting a review directed by
27 the committee.

28 “(f) At the request of the standing or interim Joint Committee on Ways
29 and Means, review state agency performance measures and make recommen-
30 dations for change.

1 “(2) As used in this section, ‘audit follow-up review’ means a review to
2 determine:

3 “(a) Whether an audited entity has appropriately acted upon audit
4 findings; and

5 “(b) Whether implementation of audit recommendations achieved the an-
6 ticipated benefits identified in an audit report or in an audited entity’s re-
7 sponse to an audit report.

8 **“SECTION 5.** ORS 171.590 is amended to read:

9 “171.590. (1) In carrying out specific **audits**, evaluations and reviews, the
10 Legislative [*Fiscal Office*] **Performance Oversight and Government Ac-**
11 **countability Officer** may request the services of the Division of Audits, the
12 Oregon Department of Administrative Services and other statutory agencies
13 of the Legislative Assembly.

14 “(2) **If requested by the officer**, the Division of Audits shall, for each
15 audit recommended by the Joint Legislative Audit Committee and included
16 in the audit plan described in ORS 297.076:

17 “(a) Verify with the [*committee*] **officer** that the identified scope of the
18 audit meets the goals of the committee; and

19 “(b) Provide periodic updates to the **officer and** committee on the status
20 of the audit.

21 **“SECTION 6.** ORS 171.415 is amended to read:

22 “171.415. (1) Except as provided in subsections (2) and (3) of this section,
23 a committee or employee of the Legislative Assembly having possession of
24 legislative records that are not required for the regular performance of offi-
25 cial duties shall, within 10 days after the adjournment sine die of a regular
26 or special session, deliver all such legislative records to the Legislative Ad-
27 ministration Committee.

28 “(2) The chairperson, member or employee of a legislative interim com-
29 mittee responsible for maintaining the legislative records of that committee
30 shall, within 10 days after the committee ceases to function or before Janu-

1 ary 1 next preceding the beginning of an odd-numbered year regular session
2 of the Legislative Assembly, whichever is earlier, deliver all such legislative
3 records to the Legislative Administration Committee.

4 “(3) This section does not apply to the records of the Emergency Board,
5 the Legislative Administration Committee, the Legislative Counsel Commit-
6 tee, the Legislative Policy and Research Committee, the Joint Committee on
7 Conduct and the Legislative Equity Officer, **the Joint Legislative Audit**
8 **Committee** or the Joint Committee on Ways and Means.

9 **“SECTION 7.** ORS 171.425 is amended to read:

10 “171.425. The State Archivist shall allow the Legislative Fiscal Officer,
11 the Legislative Administrator, the Legislative Counsel, the Legislative Rev-
12 enue Officer, **the Legislative Performance Oversight and Government**
13 **Accountability Officer** or the Legislative Policy and Research Director to
14 borrow and temporarily have possession of such legislative records as such
15 officer requests.

16 **“SECTION 8.** ORS 171.430 is amended to read:

17 “171.430. (1) Except for legislative records borrowed under ORS 171.425
18 and except as provided in subsection (2) of this section, the Emergency
19 Board, the Legislative Administration Committee, the Legislative Counsel
20 Committee, the Legislative Policy and Research Committee, **the Joint Leg-**
21 **islative Audit Committee** or the Joint Committee on Ways and Means may
22 cause any legislative records in its possession to be destroyed or otherwise
23 disposed of, if such legislative records are considered by such committee to
24 be of no value to the state or the public and are no longer necessary under
25 or pursuant to any statute requiring their creation or maintenance or af-
26 fecting their use. However, such committee shall prior to destruction or
27 disposal notify the State Archivist and transfer to the official custody of the
28 State Archivist any such legislative records that are requisitioned by the
29 State Archivist, except those designated as confidential by statute or by rule
30 or resolution of the Legislative Assembly or of such committee.

1 “(2) The Emergency Board, the Legislative Administration Committee, the
2 Legislative Counsel Committee, the Legislative Policy and Research Com-
3 mittee, **the Joint Legislative Audit Committee** and the Joint Committee
4 on Ways and Means shall cause sound recordings of its hearings or meetings
5 to be retained or, if not retained, to be delivered to the State Archivist. The
6 archivist shall be official custodian of the sound recordings so delivered.

7 “**SECTION 9.** ORS 297.050 is amended to read:

8 “297.050. (1) The Division of Audits of the office of the Secretary of State
9 shall supply the Joint Legislative Audit Committee and the Legislative
10 [*Fiscal*] **Performance Oversight and Government Accountability** Officer
11 with a copy of each audit report made by or for the Division of Audits.

12 “(2) The Division of Audits shall cause a periodic peer review to be
13 completed as required by the standards of the United States Government
14 Accountability Office. The Division of Audits shall supply a copy of each
15 peer review report to the committee.

16 “**SECTION 10.** ORS 297.070 is amended to read:

17 “297.070. (1) Performance audits of all state departments, boards, com-
18 missions, institutions and state-aided institutions and agencies conducted by
19 the Division of Audits shall be based on standards for audit services estab-
20 lished by nationally recognized entities including, but not limited to, the
21 United States Government Accountability Office.

22 “(2) The Secretary of State may subpoena witnesses, may require the
23 production of books and papers and rendering of reports in the manner and
24 form that the Secretary of State requires and may do all things necessary to
25 secure a full and thorough audit. If a person fails to comply with any
26 subpoena issued under this subsection, a judge of the circuit court of any
27 county, on application of the Secretary of State, shall compel obedience by
28 proceedings for contempt as in the case of disobedience of the requirements
29 of a subpoena issued from the circuit court.

30 “(3) The Secretary of State, as State Auditor, may contract with qualified

1 private sector auditors to conduct audits if the Secretary of State determines
2 that it is in the public interest to do so. All contracts for conducting per-
3 formance audits under this section shall be in a form prescribed or approved
4 by the Secretary of State. The Secretary of State shall employ or contract
5 with auditors upon terms and for compensation as the Secretary of State
6 determines are advantageous and advisable.

7 “(4) An audit conducted under contract as provided in subsection (3) of
8 this section shall be considered to be conducted by the Division of Audits for
9 purposes of ORS 297.020, 297.050 and 297.535.

10 “(5) The Secretary of State may enter into an agreement with the de-
11 partment, board, commission, institution, state-aided institution or agency
12 that is the subject of a performance audit for payment of the expenses in-
13 curred by the Secretary of State in conducting the audit.

14 “(6) An audit report that includes information on leading practices must:

15 “(a) Provide information on whether it is reasonable to believe that
16 adoption of such practices will require resources beyond currently
17 legislatively approved resource levels, and, if so, the potential magnitude of
18 additional resources needed; and

19 “(b) Identify states or comparable government entities that have imple-
20 mented identified leading practices.

21 “(7) An audit report must indicate whether:

22 “(a) Issues identified in the report are already under consideration by the
23 audited entity; and

24 “(b) Recommendations identified in the report are already in the process
25 of being implemented.

26 “(8) The Division of Audits shall publish all performance audit reports
27 and shall notify the Legislative Assembly and the Legislative [*Fiscal*] **Per-**
28 **formance Oversight and Government Accountability** Officer when such
29 audits are publicly available.

30 “(9) An audited entity shall submit written reports to the Division of

1 Audits and the Legislative [*Fiscal*] **Performance Oversight and Govern-**
2 **ment Accountability** Officer regarding the findings and recommendations
3 of an audit of the entity. The reports must include specific responses to each
4 recommendation, including whether the entity can implement the recom-
5 mendation without legislative action and anticipated timeframes for imple-
6 mentation of recommendations not requiring legislative action. The reports
7 required under this subsection must be made in a timely manner, as deter-
8 mined by the Division of Audits and the Legislative [*Fiscal*] **Performance**
9 **Oversight and Government Accountability** Officer.

10 “(10) After receiving a report under subsection (9) of this section, both
11 the Division of Audits and the Legislative [*Fiscal*] **Performance Oversight**
12 **and Government Accountability** Officer may conduct an audit follow-up
13 review and may submit a written report regarding the audit follow-up review
14 to the Joint Legislative Audit Committee. The Division of Audits and the
15 Legislative [*Fiscal*] **Performance Oversight and Government Account-**
16 **ability** Officer shall notify one another about the intent to conduct an audit
17 follow-up review prior to initiation of the review.

18 “(11) As used in this section:

19 “(a) ‘Audit follow-up review’ has the meaning given that term in ORS
20 171.585.

21 “(b) ‘Performance audit’ means an audit, the objectives of which include:

22 “(A) Assessing the extent to which legislative, regulatory and organiza-
23 tional goals and objectives are being achieved and the current status or
24 condition of program operations or progress in implementing legislative re-
25 quirements within the legislatively approved budget;

26 “(B) Assessing the ability of alternative approaches to yield improved
27 performance or eliminate factors that inhibit effectiveness;

28 “(C) Determining whether a program produced documented intended re-
29 sults, including key performance measures, and whether such measures are
30 reliable, valid and relevant;

1 “(D) Determining whether a program operates within the context of stat-
2 utory parameters, is accessible to eligible individuals, duplicates, overlaps,
3 or conflicts with other programs, utilizes sound financial practices and in-
4 formation and is efficient and effective in achieving intended results within
5 the legislatively approved budget;

6 “(E) Determining whether the purpose of a program, the manner in which
7 it is conducted, services delivered, outcomes, the population served, incurred
8 or proposed costs, and revenue received are in compliance with provisions
9 of laws, regulations, contracts, grant agreements or other relevant require-
10 ments; and

11 “(F) Addressing identified risks and weaknesses.

12 **“SECTION 11.** ORS 244.050 is amended to read:

13 “244.050. (1) On or before April 15 of each year the following persons shall
14 file with the Oregon Government Ethics Commission a verified statement of
15 economic interest as required under this chapter:

16 “(a) The Governor, Secretary of State, State Treasurer, Attorney General,
17 Commissioner of the Bureau of Labor and Industries, district attorneys and
18 members of the Legislative Assembly.

19 “(b) Any judicial officer, including justices of the peace and municipal
20 judges, except any pro tem judicial officer who does not otherwise serve as
21 a judicial officer.

22 “(c) Any candidate for a public office designated in paragraph (a) or (b)
23 of this subsection.

24 “(d) The Deputy Attorney General.

25 “(e) The Deputy Secretary of State.

26 “(f) The Legislative Administrator, the Legislative Counsel, the Legisla-
27 tive Fiscal Officer, the Legislative Policy and Research Director, the Secre-
28 tary of the Senate, the Chief Clerk of the House of Representatives [*and*],
29 the Legislative Equity Officer **and the Legislative Performance Oversight**
30 **and Government Accountability Officer.**

1 “(g) The president and vice presidents, or their administrative equiv-
2 alents, in each public university listed in ORS 352.002.

3 “(h) The following state officers:

4 “(A) Adjutant General.

5 “(B) Director of Agriculture.

6 “(C) Manager of State Accident Insurance Fund Corporation.

7 “(D) Water Resources Director.

8 “(E) Director of the Department of Environmental Quality.

9 “(F) Director of the Oregon Department of Administrative Services.

10 “(G) State Fish and Wildlife Director.

11 “(H) State Forester.

12 “(I) State Geologist.

13 “(J) Director of Human Services.

14 “(K) Director of the Department of Consumer and Business Services.

15 “(L) Director of the Department of State Lands.

16 “(M) State Librarian.

17 “(N) Administrator of the Oregon Liquor and Cannabis Commission.

18 “(O) Superintendent of State Police.

19 “(P) Director of the Public Employees Retirement System.

20 “(Q) Director of Department of Revenue.

21 “(R) Director of Transportation.

22 “(S) Public Utility Commissioner.

23 “(T) Director of Veterans’ Affairs.

24 “(U) Executive director of Oregon Government Ethics Commission.

25 “(V) Director of the State Department of Energy.

26 “(W) Director and each assistant director of the Oregon State Lottery.

27 “(X) Director of the Department of Corrections.

28 “(Y) Director of the Oregon Department of Aviation.

29 “(Z) Executive director of the Oregon Criminal Justice Commission.

30 “(AA) Director of the Oregon Business Development Department.

1 “(BB) Director of the Oregon Department of Emergency Management.
2 “(CC) Director of the Employment Department.
3 “(DD) State Fire Marshal.
4 “(EE) Chief of staff for the Governor.
5 “(FF) Director of the Housing and Community Services Department.
6 “(GG) State Court Administrator.
7 “(HH) Director of the Department of Land Conservation and Develop-
8 ment.
9 “(II) Board chairperson of the Land Use Board of Appeals.
10 “(JJ) State Marine Director.
11 “(KK) Executive director of the Oregon Racing Commission.
12 “(LL) State Parks and Recreation Director.
13 “(MM) Executive director of the Oregon Public Defense Commission.
14 “(NN) Chairperson of the Public Employees’ Benefit Board.
15 “(OO) Director of the Department of Public Safety Standards and Train-
16 ing.
17 “(PP) Executive director of the Higher Education Coordinating Commis-
18 sion.
19 “(QQ) Executive director of the Oregon Watershed Enhancement Board.
20 “(RR) Director of the Oregon Youth Authority.
21 “(SS) Director of the Oregon Health Authority.
22 “(TT) Deputy Superintendent of Public Instruction.
23 “(i) The First Partner, the legal counsel, the deputy legal counsel and all
24 policy advisors within the Governor’s office.
25 “(j) Every elected city or county official.
26 “(k) Every member of a city or county planning, zoning or development
27 commission.
28 “(L) The chief executive officer of a city or county who performs the du-
29 ties of manager or principal administrator of the city or county.
30 “(m) Members of local government boundary commissions formed under

1 ORS 199.410 to 199.519.

2 “(n) Every member of a governing body of a metropolitan service district
3 and the auditor and executive officer thereof.

4 “(o) Each member of the board of directors of the State Accident Insur-
5 ance Fund Corporation.

6 “(p) The chief administrative officer and the financial officer of each
7 common and union high school district, education service district and com-
8 munity college district.

9 “(q) Every member of the following state boards, commissions and coun-
10 cils:

11 “(A) Governing board of the State Department of Geology and Mineral
12 Industries.

13 “(B) Oregon Business Development Commission.

14 “(C) State Board of Education.

15 “(D) Environmental Quality Commission.

16 “(E) Fish and Wildlife Commission of the State of Oregon.

17 “(F) State Board of Forestry.

18 “(G) Oregon Government Ethics Commission.

19 “(H) Oregon Health Policy Board.

20 “(I) Oregon Investment Council.

21 “(J) Land Conservation and Development Commission.

22 “(K) Oregon Liquor and Cannabis Commission.

23 “(L) Oregon Short Term Fund Board.

24 “(M) State Marine Board.

25 “(N) Mass transit district boards.

26 “(O) Energy Facility Siting Council.

27 “(P) Board of Commissioners of the Port of Portland.

28 “(Q) Employment Relations Board.

29 “(R) Public Employees Retirement Board.

30 “(S) Oregon Racing Commission.

1 “(T) Oregon Transportation Commission.
2 “(U) Water Resources Commission.
3 “(V) Workers’ Compensation Board.
4 “(W) Oregon Facilities Authority.
5 “(X) Oregon State Lottery Commission.
6 “(Y) Pacific Northwest Electric Power and Conservation Planning Coun-
7 cil.
8 “(Z) Columbia River Gorge Commission.
9 “(AA) Oregon Health and Science University Board of Directors.
10 “(BB) Capitol Planning Commission.
11 “(CC) Higher Education Coordinating Commission.
12 “(DD) Oregon Growth Board.
13 “(EE) Early Learning Council.
14 “(FF) The Oversight and Accountability Council.
15 “(r) The following officers of the State Treasurer:
16 “(A) Deputy State Treasurer.
17 “(B) Chief of staff for the office of the State Treasurer.
18 “(C) Director of the Investment Division.
19 “(s) Every member of the board of commissioners of a port governed by
20 ORS 777.005 to 777.725 or 777.915 to 777.953.
21 “(t) Every member of the board of directors of an authority created under
22 ORS 441.525 to 441.595.
23 “(u) Every member of a governing board of a public university listed in
24 ORS 352.002.
25 “(v) Every member of the district school board of a common school dis-
26 trict or union high school district.
27 “(w) Every member of the board of directors of an authority created under
28 ORS 465.600 to 465.621.
29 “(2) By April 15 next after the date an appointment takes effect, every
30 appointed public official on a board or commission listed in subsection (1)

1 of this section shall file with the Oregon Government Ethics Commission a
2 statement of economic interest as required under ORS 244.060, 244.070 and
3 244.090.

4 “(3) By April 15 next after the filing deadline for the primary election,
5 each candidate described in subsection (1) of this section shall file with the
6 commission a statement of economic interest as required under ORS 244.060,
7 244.070 and 244.090.

8 “(4) Not later than the 40th day before the date of the statewide general
9 election, each candidate described in subsection (1) of this section who will
10 appear on the statewide general election ballot and who was not required to
11 file a statement of economic interest under subsections (1) to (3) of this
12 section shall file with the commission a statement of economic interest as
13 required under ORS 244.060, 244.070 and 244.090.

14 “(5) Subsections (1) to (3) of this section apply only to persons who are
15 incumbent, elected or appointed public officials as of April 15 and to persons
16 who are candidates on April 15.

17 “(6) If a statement required to be filed under this section has not been
18 received by the commission within five days after the date the statement is
19 due, the commission shall notify the public official or candidate and give the
20 public official or candidate not less than 15 days to comply with the re-
21 quirements of this section. If the public official or candidate fails to comply
22 by the date set by the commission, the commission may impose a civil pen-
23 alty as provided in ORS 244.350.

24 **“SECTION 12.** ORS 276A.306 is amended to read:

25 “276A.306. (1) As used in this section:

26 “(a) ‘Information resources’ means data and the means for storing, re-
27 trieving, connecting or using data, including but not limited to records, files,
28 databases, documents, software, equipment and facilities that a state agency
29 owns or leases.

30 “(b) ‘Information security assessment’ means:

1 “(A) An organized method to determine a risk to or a vulnerability of a
2 state agency’s information system or a third party information service to
3 which a state agency subscribes; and

4 “(B) An independent examination and review of records, logs, policies,
5 activities and practices to:

6 “(i) Assess whether a state agency’s information system is vulnerable to
7 an information security incident;

8 “(ii) Ensure compliance with rules, policies, standards and procedures
9 that the State Chief Information Officer or a state agency, under the state
10 agency’s independent authority, adopts or otherwise promulgates; and

11 “(iii) Recommend necessary changes to a state agency’s rules, policies,
12 standards and procedures to ensure compliance and prevent information se-
13 curity incidents.

14 “(c) ‘Information security incident’ means an incident that creates a risk
15 of harm to a state agency or the state agency’s operations and in which:

16 “(A) Access to, or viewing, copying, transmission, theft or usage of, a
17 state agency’s sensitive, protected or confidential information occurs without
18 authorization from the state agency;

19 “(B) A failure of compliance with a state agency’s security or acceptable
20 use policies or practices occurs that results in access to a state agency’s
21 information system or information resources for viewing, copying, trans-
22 mission, theft or use without the state agency’s authorization; or

23 “(C) A state agency’s information system or information resources or a
24 third party information service to which a state agency subscribes becomes
25 unavailable in a reliable and timely manner to authorized individuals or or-
26 ganizations, or is modified or deleted under circumstances that the state
27 agency does not intend, plan or initiate.

28 “(d)(A) ‘Information system’ means a system of computers and related
29 hardware, software, storage media and networks and any other means by
30 which a state agency collects, uses or manages the state agency’s informa-

1 tion resources.

2 “(B) ‘Information system’ does not include a third party information ser-
3 vice to which a state agency subscribes if the third party information service
4 incorporates or uses hardware, software, storage media and networks that
5 the state agency does not own or lease or that the state agency does not have
6 the legal authority to directly monitor or control.

7 “(e) ‘State agency’ means an officer, board, commission, department,
8 agency or institute of state government, as defined in ORS 174.111, except:

9 “(A) Public universities listed in ORS 352.002; and

10 “(B) The Oregon State Lottery and entities with which the Oregon State
11 Lottery has a contract or agreement with respect to the Oregon State
12 Lottery’s gaming systems or networks.

13 “(2) A state agency shall promptly notify the Legislative Fiscal Office of
14 an information security incident and describe the actions the state agency
15 has taken or must reasonably take to prevent, mitigate or recover from
16 damage to, unauthorized access to, unauthorized modifications or deletions
17 of or other impairments of the integrity of the state agency’s information
18 system or information resources.

19 “(3) Each state agency shall periodically conduct or contract for an in-
20 formation security assessment of the state agency’s information system and
21 information resources and shall request results from a third party’s infor-
22 mation security assessment of an information service that the third party
23 provides and to which the state agency subscribes. Each state agency shall
24 notify the Legislative Fiscal Office of the information security assessment
25 after the state agency receives the results of the information security as-
26 sessment.

27 “(4)(a) The State Chief Information Officer, the Secretary of State, the
28 State Treasurer, the Attorney General, the State Court Administrator and
29 the Legislative Administrator shall each submit to, and present in an ap-
30 propriate hearing or other proceeding before, the Joint Legislative Commit-

1 tee on Information Management and Technology an annual report
2 concerning the security of the information systems and information resources
3 over which the State Chief Information Officer, the Secretary of State, the
4 State Treasurer, the Attorney General, the State Court Administrator or the
5 Legislative Administrator has direct or supervisory control.

6 “(b) The annual report described in paragraph (a) of this subsection may
7 not include information security information or other materials that are ex-
8 empt from disclosure under ORS 192.311 to 192.478.

9 “(5)(a) The Legislative Fiscal Office shall use the notifications the office
10 receives under subsections (2) and (3) of this section, and any other infor-
11 mation about an information security assessment or an information security
12 incident that a state agency provides to the office, via a method and at a
13 level of detail to which the state agency and the office agree, solely for the
14 purpose of providing support and assistance to the Joint Legislative Com-
15 mittee on Information Management and Technology[,] **and** the Joint Com-
16 mittee on Ways and Means [*and the Joint Legislative Audit Committee*].

17 “(b)(A) Except as provided in subparagraph (B) of this paragraph, the
18 Legislative Fiscal Officer or an employee of the Legislative Fiscal Office may
19 not disclose to any other person the nature or contents of the notifications
20 that the office receives under subsections (2) and (3) of this section or any
21 other information described in paragraph (a) of this subsection to the extent
22 that the notifications or the information are exempt from disclosure under
23 ORS 192.311 to 192.478.

24 “(B) The Legislative Fiscal Officer or an employee of the Legislative
25 Fiscal Office may disclose the nature or contents of the notifications or in-
26 formation described in subparagraph (A) of this paragraph if the officer or
27 employee obtains the written consent of:

28 “(i) The State Chief Information Officer, with respect to notifications and
29 information that a state agency within the executive department, as defined
30 in ORS 174.112, provided;

1 “(ii) The Secretary of State, with respect to notifications and information
2 that the office of the Secretary of State provided;

3 “(iii) The State Treasurer, with respect to notifications and information
4 that the office of the State Treasurer provided;

5 “(iv) The Attorney General, with respect to notifications and information
6 that the Department of Justice provided;

7 “(v) The State Court Administrator, with respect to notifications and in-
8 formation that a court or a state agency within the judicial department, as
9 defined in ORS 174.113, provided; or

10 “(vi) The Legislative Administrator, with respect to notifications and in-
11 formation that a state agency within the legislative department, as defined
12 in ORS 174.114, provided.

13 **“SECTION 13. Section 2 of this 2025 Act and the amendments to**
14 **ORS 171.415, 171.425, 171.430, 171.580, 171.585, 171.590, 244.050, 276A.306,**
15 **297.050 and 297.070 by sections 3 to 12 of this 2025 Act become operative**
16 **January 1, 2026.**

17 **“SECTION 14. This 2025 Act takes effect on the 91st day after the**
18 **date on which the 2025 regular session of the Eighty-third Legislative**
19 **Assembly adjourns sine die.”.**

20 _____