

# D R A F T

## SUMMARY

Establishes Legislative Committee on Accountability as joint committee of Legislative Assembly composed of equal number of majority and minority members. Directs committee to appoint Director of Legislative Accountability Office and majority and minority counsels. Authorizes director to employ all other staff of Legislative Accountability Office.

Charges office with conducting performance and management audits of state agencies, state programs and state-funded programs, with investigating allegations of illegal or improper activities by state agencies, state programs and state-funded programs, with investigating and reporting on effectiveness of state government programs and policies in meeting objectives and with performing policy analysis for Legislative Assembly. Directs office to report findings and recommendations to committee.

Statutory powers and duties of office become operative January 1, 2017.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to legislative oversight; creating new provisions; amending ORS  
3 171.425, 171.585 and 244.050; and declaring an emergency.

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

5 **SECTION 1. (1) The Legislative Committee on Accountability is es-**  
6 **tablished as a joint committee of the Legislative Assembly. The com-**  
7 **mittee consists of an equal number of majority and minority members**  
8 **of the Senate appointed by the President of the Senate and an equal**  
9 **number of majority and minority members of the House appointed by**  
10 **the Speaker of the House of Representatives. The appointing authori-**  
11 **ties shall appoint members of a new committee within 30 days after**  
12 **the date of the convening of each odd-numbered year regular session**  
13 **of the Legislative Assembly.**

**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       **(2) The term of a member of the committee expires upon the date**  
2 **of the convening of the odd-numbered year regular session of the**  
3 **Legislative Assembly next following the member's appointment. Va-**  
4 **cancies occurring in the membership of the committee shall be filled**  
5 **by the appointing authority.**

6       **(3) The committee has a continuing existence and may meet, act**  
7 **and conduct its business during the sessions of the Legislative As-**  
8 **sembly or any recess thereof, and in the interim period between ses-**  
9 **sions but the committee has no authority to affect the rules of either**  
10 **house.**

11       **(4) The Legislative Committee on Accountability may appoint advi-**  
12 **sory committees or subcommittees. Except as otherwise provided in**  
13 **this subsection, individuals other than members of the Legislative**  
14 **Assembly may serve on such advisory committees or subcommittees.**  
15 **A member of an advisory committee or subcommittee who is not a**  
16 **member of the Legislative Assembly shall be compensated and reim-**  
17 **bursed in the manner provided in ORS 292.495.**

18       **(5) The Legislative Committee on Accountability may not transact**  
19 **business unless a quorum is present. A quorum consists of a majority**  
20 **of committee members from the House of Representatives and a ma-**  
21 **jority of committee members from the Senate.**

22       **(6) Action by the committee requires the affirmative vote of a ma-**  
23 **jority of committee members from the House of Representatives and**  
24 **a majority of committee members from the Senate.**

25       **(7) The expiration of the terms of members of the committee does**  
26 **not affect the employment of any individual filling a position previ-**  
27 **ously approved by the committee.**

28       **SECTION 2.** **(1) The Legislative Accountability Office is hereby es-**  
29 **tablished. The Legislative Committee on Accountability established**  
30 **under section 1 of this 2016 Act shall select a Director of the Legisla-**  
31 **tive Accountability Office to serve as the executive officer of the of-**

1 **fi ce.**

2 (2) The director serves at the pleasure of the committee and is un-  
3 der the direction of the committee.

4 (3) Except as provided in subsection (4) of this section, the director  
5 may employ and fix the compensation of such professional assistants  
6 and other employees as the director deems necessary for the work  
7 under the charge of the director. The Legislative Accountability Office  
8 comprises individuals employed under this section.

9 (4)(a) The majority members of the committee shall appoint a ma-  
10 jority counsel to the office. The minority members of the committee  
11 shall appoint a minority counsel to the office.

12 (b) The majority and minority counsels must be members in good  
13 standing of the Oregon State Bar.

14 (c) The majority and minority counsels serve at the pleasure of the  
15 committee and are under the direction of the director.

16 (5) The committee shall fix the annual salary of the director and  
17 the counsels. Subject to the limitations otherwise provided by law for  
18 expenses of state officers, the director and counsels shall be reim-  
19 bursed for actual and necessary expenses incurred or paid by the di-  
20 rector or counsels in the performance of their duties.

21 **SECTION 3.** (1) Pursuant to the policies of the Legislative Com-  
22 mittee on Accountability and at the direction of the committee, the  
23 Legislative Accountability Office established under section 2 of this  
24 2016 Act shall:

25 (a) Conduct performance and management audits of state agencies,  
26 state programs and state-funded programs;

27 (b) Investigate allegations of illegal or improper activities by state  
28 agencies, state programs and state-funded programs and issue opinions  
29 thereon;

30 (c) Investigate and report on the effectiveness of state government  
31 programs and policies in meeting objectives; and

1 (d) Perform policy analysis and outline options for consideration  
2 by the Legislative Assembly.

3 (2) The Director of the Legislative Accountability Office may enter  
4 into contracts to carry out the functions of the office.

5 (3) When the office completes a task described in subsection (1)(a),  
6 (b) or (c) of this section, the office shall report findings and recom-  
7 mendations to the committee.

8 **SECTION 4. (1) In conducting an audit or investigation under sec-**  
9 **tion 3 of this 2016 Act, the Legislative Accountability Office:**

10 (a) May examine and inspect all accounts, books, records, files,  
11 papers and documents and all financial affairs of any public body as  
12 defined in ORS 174.109.

13 (b) May cause a search to be made of and extracts to be taken from  
14 any account, book, record, file, paper or document in the custody of  
15 a public officer without paying a fee for the search or extract. A public  
16 officer having custody of the account, book, record, file, paper or  
17 document shall make any search requested by the office and furnish  
18 the extracts as requested.

19 (2) In conducting an audit or investigation under section 3 of this  
20 2016 Act, a counsel of or the Director of the Legislative Accountability  
21 Office may issue:

22 (a) A subpoena compelling at a specified time and place the ap-  
23 pearance and sworn testimony of any person who the director or  
24 counsel reasonably believes may be able to provide information relat-  
25 ing to any audit or other investigation being conducted under section  
26 3 of this 2016 Act.

27 (b) A subpoena duces tecum compelling the production of any ac-  
28 count, book, record, file, paper, document or other evidence that the  
29 director or counsel reasonably believes may relate to an audit or in-  
30 vestigation being conducted under section 3 of this 2016 Act.

31 (3) If a person fails to comply with a subpoena issued under sub-

1 **section (2) of this section, a judge of the circuit court of any county,**  
2 **on application of the director or a counsel, shall compel obedience by**  
3 **proceedings for contempt as in the case of disobedience of the re-**  
4 **quirements of a subpoena issued from the circuit court.**

5 **SECTION 5. (1) As used in this section, “working papers” means the**  
6 **notes, internal memoranda and records of work performed by the**  
7 **Legislative Accountability Office on audits, investigations and other**  
8 **projects undertaken under sections 1 to 6 of this 2016 Act, including**  
9 **any evidence collected or developed by the office.**

10 **(2) The Director of the Legislative Accountability Office and any**  
11 **employees of the office are not required to disclose any working pa-**  
12 **pers.**

13 **(3) Any communication made by a counsel of the Legislative Ac-**  
14 **countability Office to a member, committee or staff of the Legislative**  
15 **Assembly, or any communication made by a member, committee or**  
16 **staff of the Legislative Assembly to a counsel of the Legislative Ac-**  
17 **countability Office, is confidential and may be revealed only as per-**  
18 **mitted by the member, committee or staff.**

19 **SECTION 6. (1) In conducting audits and investigations under sec-**  
20 **tion 3 of this 2016 Act, the Legislative Accountability Office may utilize**  
21 **the services of the Division of Audits, the Budget and Management**  
22 **Division and other statutory agencies and staff of the Legislative As-**  
23 **sembly.**

24 **(2) All other public bodies, as defined in ORS 174.109, shall assist the**  
25 **office in the performance of its work and duties.**

26 **SECTION 7. ORS 171.425 is amended to read:**

27 **171.425. The State Archivist shall allow the Legislative Fiscal Officer, the**  
28 **Legislative Administrator, the Legislative Counsel, [or] the Legislative Rev-**  
29 **enue Officer or the counsels of or Director of the Legislative Account-**  
30 **ability Office to borrow and temporarily have possession of such legislative**  
31 **records as such officer requests.**

1       **SECTION 8.** ORS 171.585 is amended to read:

2       171.585. (1) The Joint Legislative Audit Committee shall:

3       [(1)] (a) Review all audits **conducted by the Secretary of State** and  
4 make recommendations for change or remediation by the agency or other  
5 organization under review to the Emergency Board or to the Joint Interim  
6 Committee on Ways and Means, the Joint Committee on Ways and Means  
7 and other persons receiving the audit report under ORS 192.245.

8       [(2)] (b) Accept requests for performance and program audits from [*indi-*  
9 *vidual legislators, legislative committees,*] the Division of Audits, the Budget  
10 and Management Division and the Legislative Fiscal Office.

11       [(3)] (c) In conjunction with the Director of the Division of Audits, set  
12 priorities on the basis of risk assessment for performance and program audits  
13 and program evaluations.

14       [(4)] (d) With the advice and assistance of the Legislative Fiscal Officer,  
15 the Administrator of the Budget and Management Division and the Director  
16 of the Division of Audits, determine the type of audit, evaluation or review  
17 utilizing criteria to include but not be limited to the nature and scope of the  
18 task, the time frame involved, necessary professional guidelines, economy,  
19 efficiency, cost and cost responsibility.

20       [(5)] (e) Not later than 12 months after the issuance of an audit report,  
21 review the actions of an agency or other government organization for com-  
22 pliance with the recommendations of the audit report.

23       [(6)] (f) Assign tasks to the Legislative Fiscal Office, the Budget and  
24 Management Division, the Division of Audits or a special task force.

25       [(7)] (g) Review state agency performance measures and make recommen-  
26 dations for change.

27       **(2) Members and committees of the Legislative Assembly may re-**  
28 **quest performance or management audits or investigations of state**  
29 **agencies, state programs and state-funded programs only from the**  
30 **Legislative Committee on Accountability established under sections 1**  
31 **to 6 of this 2016 Act.**

1        **SECTION 9.** ORS 244.050 is amended to read:

2        244.050. (1) On or before April 15 of each year the following persons shall  
3 file with the Oregon Government Ethics Commission a verified statement of  
4 economic interest as required under this chapter:

5        (a) The Governor, Secretary of State, State Treasurer, Attorney General,  
6 Commissioner of the Bureau of Labor and Industries, district attorneys and  
7 members of the Legislative Assembly.

8        (b) Any judicial officer, including justices of the peace and municipal  
9 judges, except any pro tem judicial officer who does not otherwise serve as  
10 a judicial officer.

11       (c) Any candidate for a public office designated in paragraph (a) or (b)  
12 of this subsection.

13       (d) The Deputy Attorney General.

14       (e) The Deputy Secretary of State.

15       (f) The Legislative Administrator, the Legislative Counsel, the Legislative  
16 Fiscal Officer, **the counsels of and the Director of the Legislative Ac-**  
17 **countability Office**, the Secretary of the Senate and the Chief Clerk of the  
18 House of Representatives.

19       (g) The president and vice presidents, or their administrative equivalents,  
20 in each public university listed in ORS 352.002.

21       (h) The following state officers:

22       (A) Adjutant General.

23       (B) Director of Agriculture.

24       (C) Manager of State Accident Insurance Fund Corporation.

25       (D) Water Resources Director.

26       (E) Director of Department of Environmental Quality.

27       (F) Director of Oregon Department of Administrative Services.

28       (G) State Fish and Wildlife Director.

29       (H) State Forester.

30       (I) State Geologist.

31       (J) Director of Human Services.

- 1 (K) Director of the Department of Consumer and Business Services.
- 2 (L) Director of the Department of State Lands.
- 3 (M) State Librarian.
- 4 (N) Administrator of Oregon Liquor Control Commission.
- 5 (O) Superintendent of State Police.
- 6 (P) Director of the Public Employees Retirement System.
- 7 (Q) Director of Department of Revenue.
- 8 (R) Director of Transportation.
- 9 (S) Public Utility Commissioner.
- 10 (T) Director of Veterans' Affairs.
- 11 (U) Executive director of Oregon Government Ethics Commission.
- 12 (V) Director of the State Department of Energy.
- 13 (W) Director and each assistant director of the Oregon State Lottery.
- 14 (X) Director of the Department of Corrections.
- 15 (Y) Director of the Oregon Department of Aviation.
- 16 (Z) Executive director of the Oregon Criminal Justice Commission.
- 17 (AA) Director of the Oregon Business Development Department.
- 18 (BB) Director of the Office of Emergency Management.
- 19 (CC) Director of the Employment Department.
- 20 (DD) Chief of staff for the Governor.
- 21 (EE) Administrator of the Office for Oregon Health Policy and Research.
- 22 (FF) Director of the Housing and Community Services Department.
- 23 (GG) State Court Administrator.
- 24 (HH) Director of the Department of Land Conservation and Development.
- 25 (II) Board chairperson of the Land Use Board of Appeals.
- 26 (JJ) State Marine Director.
- 27 (KK) Executive director of the Oregon Racing Commission.
- 28 (LL) State Parks and Recreation Director.
- 29 (MM) Public defense services executive director.
- 30 (NN) Chairperson of the Public Employees' Benefit Board.
- 31 (OO) Director of the Department of Public Safety Standards and Training.

1 (PP) Executive director of the Higher Education Coordinating Commis-  
2 sion.

3 (QQ) Executive director of the Oregon Watershed Enhancement Board.

4 (RR) Director of the Oregon Youth Authority.

5 (SS) Director of the Oregon Health Authority.

6 (TT) Deputy Superintendent of Public Instruction.

7 (i) The First Partner, the legal counsel, the deputy legal counsel and all  
8 policy advisors within the Governor's office.

9 (j) Every elected city or county official.

10 (k) Every member of a city or county planning, zoning or development  
11 commission.

12 (L) The chief executive officer of a city or county who performs the duties  
13 of manager or principal administrator of the city or county.

14 (m) Members of local government boundary commissions formed under  
15 ORS 199.410 to 199.519.

16 (n) Every member of a governing body of a metropolitan service district  
17 and the auditor and executive officer thereof.

18 (o) Each member of the board of directors of the State Accident Insurance  
19 Fund Corporation.

20 (p) The chief administrative officer and the financial officer of each  
21 common and union high school district, education service district and com-  
22 munity college district.

23 (q) Every member of the following state boards and commissions:

24 (A) Board of Geologic and Mineral Industries.

25 (B) Oregon Business Development Commission.

26 (C) State Board of Education.

27 (D) Environmental Quality Commission.

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

29 (F) State Board of Forestry.

30 (G) Oregon Government Ethics Commission.

31 (H) Oregon Health Policy Board.

- 1 (I) Oregon Investment Council.
- 2 (J) Land Conservation and Development Commission.
- 3 (K) Oregon Liquor Control Commission.
- 4 (L) Oregon Short Term Fund Board.
- 5 (M) State Marine Board.
- 6 (N) Mass transit district boards.
- 7 (O) Energy Facility Siting Council.
- 8 (P) Board of Commissioners of the Port of Portland.
- 9 (Q) Employment Relations Board.
- 10 (R) Public Employees Retirement Board.
- 11 (S) Oregon Racing Commission.
- 12 (T) Oregon Transportation Commission.
- 13 (U) Water Resources Commission.
- 14 (V) Workers' Compensation Board.
- 15 (W) Oregon Facilities Authority.
- 16 (X) Oregon State Lottery Commission.
- 17 (Y) Pacific Northwest Electric Power and Conservation Planning Council.
- 18 (Z) Columbia River Gorge Commission.
- 19 (AA) Oregon Health and Science University Board of Directors.
- 20 (BB) Capitol Planning Commission.
- 21 (CC) Higher Education Coordinating Commission.
- 22 (DD) Oregon Growth Board.
- 23 (EE) Early Learning Council.
- 24 (r) The following officers of the State Treasurer:
  - 25 (A) Deputy State Treasurer.
  - 26 (B) Chief of staff for the office of the State Treasurer.
  - 27 (C) Director of the Investment Division.
- 28 (s) Every member of the board of commissioners of a port governed by  
29 ORS 777.005 to 777.725 or 777.915 to 777.953.
- 30 (t) Every member of the board of directors of an authority created under  
31 ORS 441.525 to 441.595.

1 (u) Every member of a governing board of a public university listed in  
2 ORS 352.002.

3 (v) Every member of the board of directors of an authority created under  
4 ORS 465.600 to 465.621.

5 (2) By April 15 next after the date an appointment takes effect, every  
6 appointed public official on a board or commission listed in subsection (1)  
7 of this section shall file with the Oregon Government Ethics Commission a  
8 statement of economic interest as required under ORS 244.060, 244.070 and  
9 244.090.

10 (3) By April 15 next after the filing deadline for the primary election,  
11 each candidate described in subsection (1) of this section shall file with the  
12 commission a statement of economic interest as required under ORS 244.060,  
13 244.070 and 244.090.

14 (4) Within 30 days after the filing deadline for the general election, each  
15 candidate described in subsection (1) of this section who was not a candidate  
16 in the preceding primary election, or who was nominated for public office  
17 described in subsection (1) of this section at the preceding primary election  
18 by write-in votes, shall file with the commission a statement of economic  
19 interest as required under ORS 244.060, 244.070 and 244.090.

20 (5) Subsections (1) to (4) of this section apply only to persons who are  
21 incumbent, elected or appointed public officials as of April 15 and to persons  
22 who are candidates on April 15. Subsections (1) to (4) of this section also  
23 apply to persons who do not become candidates until 30 days after the filing  
24 deadline for the statewide general election.

25 (6) If a statement required to be filed under this section has not been re-  
26 ceived by the commission within five days after the date the statement is  
27 due, the commission shall notify the public official or candidate and give the  
28 public official or candidate not less than 15 days to comply with the re-  
29 quirements of this section. If the public official or candidate fails to comply  
30 by the date set by the commission, the commission may impose a civil pen-  
31 alty as provided in ORS 244.350.

1        **SECTION 10.** Sections 3 to 6 of this 2016 Act and the amendments  
2 to ORS 171.425, 171.585 and 244.050 by sections 7 to 9 of this 2016 Act  
3 become operative January 1, 2017.

4        **SECTION 11.** This 2016 Act being necessary for the immediate  
5 preservation of the public peace, health and safety, an emergency is  
6 declared to exist, and this 2016 Act takes effect on its passage.

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