75th OREGON LEGISLATIVE ASSEMBLY - 2009 Regular Session **MEASURE: CARRIER:**

STAFF MEASURE SUMMARY

REVENUE: No revenue impact FISCAL: No fiscal impact

House Committee on Judiciary

Action: Do Pass Vote: 10 - 0 - 0

> Barton, Cameron, Garrett, Krieger, Olson, Shields, Smith J., Stiegler, Whisnant, Barker Yeas:

SB 404 A

Rep. Stiegler

Navs: Exc.: 0

Lisa Nuss, Counsel Prepared By:

Meeting Dates: 5/14

WHAT THE MEASURE DOES: Repeals ORS 20.160 and 20.170, so that attorneys of nonresidents are no longer liable to defendant for costs awarded against their client. Declares emergency; takes effect upon passage.

ISSUES DISCUSSED:

- The statutes result in disparate treatment to out-of-state residents
- Travel is easier now than in 1862

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: ORS 20.160 holds an attorney representing a nonresident plaintiff personally liable for any costs the court awards and the plaintiff fails to pay. ORS 20.170 is a companion provision setting forth the requirements for a surety bond under ORS 20.160. These provisions were originally enacted in 1862. They give preferential treatment to residents and their attorneys over nonresidents. Although the reasons for the original law have been obscured with the passage of time, these provisions may have been enacted due to the difficulty in collecting costs from distant parties. The Oregon State Bar Procedure and Practice Committee reports it is not aware of any class of litigants who would be harmed by the repeal of these laws.