

**REVENUE:** Revenue statement issued

**FISCAL:** Minimal fiscal impact, no statement issued

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<b>Action:</b>	Do Pass and Be Referred to the Committee on Revenue by Prior Reference
<b>Vote:</b>	8 - 0 - 1
<b>Yeas:</b>	Barton, Cameron, Hicks, Krieger, Olson, Tomei, Williamson, Barker
<b>Nays:</b>	0
<b>Exc.:</b>	Garrett
<b>Prepared By:</b>	Anna Braun, Counsel
<b>Meeting Dates:</b>	3/20

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**WHAT THE MEASURE DOES:** Establishes tax credit for contributions to the Legal Services Program for 50 percent of the amount taxpayer contributed to program but not to exceed taxpayers' liability. Sunsets January 1, 2020.

**ISSUES DISCUSSED:**

- Provisions of the measure

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** Oregon's legal aid programs are a state, federal, and private partnership. About one third of legal aid's funding comes from court fees that are distributed by statute through the Oregon State Bar Legal Services Program under ORS 9.572; about 23 percent of legal aid's funding comes from the federal Legal Services Corporation. In recent years, about 7 percent of legal aid funding came from Interest on Lawyer Trust Accounts ("IOLTA"), but that amount is much lower today due to reduced interest rates. Donations to the Campaign for Equal Justice raise between \$1 million and \$1.2 million to support legal aid. Donations are currently tax deductible. A tax credit is expected to raise 50 percent more money for legal aid programs.