

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

Action: Do Pass with Amendments to the A-Engrossed Measure. (Printed B-Engrossed)
Signers of the Report: Sen. Close and Sen. Kruse
Prepared By: Channa Newell, Counsel
Meeting Dates: 2/20, 2/25

WHAT THE MEASURE DOES: Requires that court order unclaimed damages in class action suit be equally divided between Legal Aid Account and Domestic Violence Programs Account. Creates Domestic Violence Programs Account and specifies funds in Account may only be distributed to district attorneys for use in domestic violence programs. Specifies that distributions to Legal Services Program from Legal Aid Account may only be used for domestic violence-related legal services. Stipulates court may not factor unclaimed damages in determination of attorney fees in class action lawsuit. Prohibits award of attorney fees for unclaimed damages in contingent fee arrangement. Requires Secretary of State to conduct financial audit of Legal Services Program at least once every five years. Requires Oregon State Bar to provide appropriate interim Legislative committee with detailed report on Legal Services Program by December 31 of even-numbered years. Specifies content of report. Specifies measure applies only to class actions commenced after effective date on Act.

ISSUES DISCUSSED:

- Provisions of measure

EFFECT OF MINORITY AMENDMENT: Replaces the measure.

BACKGROUND: When an award of damages is made in favor of the injured parties in a class action suit, a percentage of the injured parties do not file a claim and do not receive their portion of the award. Under current Oregon law, damages are set aside for all affected injured parties in a class action suit and all unclaimed damages are returned to the defendant.

House Bill 4143-MRB directs all unclaimed damages in a class action lawsuit to be equally split between two Accounts: the existing Legal Aid Account and a newly created Domestic Violence Programs Account. The Legal Services Program, as administered by the Oregon State Bar, is funded from the Legal Aid Account and provides free civil legal services to low-income individuals. Money in the Domestic Violence Programs Account may only be used by district attorneys for domestic violence programs. Interest earned on the funds in the Domestic Violence Programs Account will be credited to the General Fund.

House Bill 4143-MRB also requires the Secretary of State to conduct a financial audit of the Legal Services Program at least every five years, with costs of the audit to be charged to the Oregon State Bar. Additionally, the measure requires the Oregon State Bar to prepare and submit a detailed report on the Legal Services Program every even-numbered year. The report, given to the appropriate interim committee of the Legislative Assembly, must include a list of all providers within the program, a financial report from each provider, the number and type of files opened, actions filed, and the outcomes of those filings.

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This summary has not been adopted or officially endorsed by action of the committee.