

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2700**

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session  
Legislative Fiscal Office

***Only Impacts on Original or Engrossed  
Versions are Considered Official***

Prepared by: John Terpening  
Reviewed by: Steve Bender, John Borden  
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**Measure Description:**

Authorizes court, as part of settlement or judgment in class action, to approve process for payment of damages.

**Government Unit(s) Affected:**

Department of Justice, Judicial Department

**Summary of Expenditure Impact:** See Analysis

**Local Government Mandate:**

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**Analysis:**

The measure requires the court to order at least 50 percent of unclaimed damages from class action settlements with final judgments entered after passage of the bill, to be paid or delivered to the Oregon State Bar for the funding of the Legal Services Program (a.k.a., Legal Aid). Any remaining unclaimed damages are to be paid to an entity for purposes directly related or beneficial to the interests of the class involved in the settlement. Currently, unclaimed damages are returned to the defendant. Data on the amounts of unclaimed damages from class action settlements are unavailable and cannot be provided.

There is a minimal fiscal impact to the Oregon Judicial Department (OJD) as a result of this measure. The court would not receive or distribute unclaimed damages under the bill, instead the funds would be transferred directly by the defendant to the Oregon State Bar and any other parties identified in the settlement or judgment. OJD, however, anticipates having to conduct additional hearings to determine the placement of any unclaimed funds to be distributed to entities that are related or beneficial to the class, and additional costs would be associated with this process.

The State of Oregon currently provides, in the Oregon Judicial Department budget, \$11.9 million of Other Funds court fee revenues to the Legal Services Program each biennium. Any funds from unclaimed damages would be paid directly to the Oregon State Bar and be in addition to the state's support. Because the Oregon State Bar is not a state agency, however, the unclaimed damages would not be included in the state budget and are not required to be continuously appropriated.

The Legislative Fiscal Office notes that the measure makes changes to the Oregon Rules of Civil Procedure (ORCP). The Council on Court Procedures retains authority to adopt amendments to the ORCP administratively.