

Senate Bill 922

Sponsored by Senator THOMSEN

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Provides that reimbursement to member of legal expense organization for charges that member incurs for legal services does not include nominal fee for operating expenses that legal expense organization incurs or pays to providing attorney. Specifies allowable operating expenses.

A BILL FOR AN ACT

1
2 Relating to legal expense organizations; creating new provisions; and amending ORS 750.505.

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

4 **SECTION 1. Section 2 of this 2015 Act is added to and made a part of ORS 750.505 to**
5 **750.715.**

6 **SECTION 2. A reimbursement to a member for charges that the member incurs for legal**
7 **services does not include a nominal fee for operating expenses that a legal expense organ-**
8 **ization incurs or pays to a providing attorney. For purposes of this section, operating ex-**
9 **penses may include expenses that the legal expense organization incurs in referring members**
10 **to the providing attorney and expenses the providing attorney incurs in processing contact**
11 **information for members, but does not include an amount that the providing attorney**
12 **charges for legal services.**

13 **SECTION 3. ORS 750.505 is amended to read:**

14 750.505. As used in ORS 750.505 to 750.715:

15 (1) "Legal expense organization" or "organization" means *[any]* **a** person or group of persons
16 *[who]* **that** provide or offer to provide a legal expense plan, including *[any]* **a** person *[who]* **that** acts
17 as *[its]* **the legal expense plan's** administrator.

18 (2) "Legal expense plan" or "plan" means *[the]* **an** agreement between an organization and a
19 person or a group of persons *[whereby]* **under which the organization, in return for a specified**
20 **payment as consideration, reimburses the person or group of persons as members of the plan**
21 **for charges the person or group of persons incurs for legal services** *[are to be provided to the*
22 *person or group of persons as members, or whereby the persons as members are to be reimbursed for*
23 *charges incurred for legal services, in consideration of a specified payment].*

24 (3) "Member" means a person who is eligible to receive legal services under a legal expense
25 plan.

26 (4) "Membership agreement" means *[the]* written evidence of coverage of a member under a plan
27 between an organization and members.

28 (5) "Provider agreement" means a written contract or agreement between an organization and
29 a providing attorney for *[the]* rendering *[of]* legal services to a member or group of persons.

30 (6) "Providing attorney" means any attorney licensed and in good standing in this state who
31 provides legal services *[pursuant to the]* **under a** membership agreement.

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 (7) "Sales or marketing representative" means *[any]* a person who markets or solicits members
2 for or on behalf of a plan.
3 _____