

**PROPOSED AMENDMENTS TO
SENATE BILL 922**

1 On page 1 of the printed bill, line 2, delete “creating new provisions;
2 and” and after “750.505” insert “and 750.525”.

3 Delete lines 4 through 31 and delete page 2 and insert:

4 **“SECTION 1.** ORS 750.505 is amended to read:

5 “750.505. As used in ORS 750.505 to 750.715:

6 **“(1)(a) ‘Administration fee’ means a nominal fee that:**

7 **“(A) A legal access provider pays to an attorney;**

8 **“(B) Is not more than \$6 per month for each of the legal access
9 provider’s customers, or a greater amount that the Director of the
10 Department of Consumer and Business Services specifies by rule; and**

11 **“(C) Covers overhead and administrative expenses that the attorney
12 incurs in providing legal consultations or other legal services to a legal
13 access provider’s customers.**

14 **“(b) ‘Administration fee’ does not include fees, charges or other
15 compensation that an attorney charges to the attorney’s client for le-
16 gal services or a reimbursement that a legal expense organization
17 provides under a legal expense plan.**

18 **“(2) ‘Legal access provider’ means a person that charges a fee to a
19 customer for the purpose of providing the customer with access to le-
20 gal consultations and other legal services and that pays an adminis-
21 tration fee to an attorney.**

22 **“[(1)] (3)(a) ‘Legal expense organization’ or ‘organization’ means [any] a**

1 person or group of persons [*who*] **that** provide or offer to provide a legal
2 expense plan, including [*any*] **a** person [*who*] **that** acts as [*its*] **the legal**
3 **expense plan’s** administrator.

4 “(b) **‘Legal expense organization’ or ‘organization’ does not include**
5 **a legal access provider.**

6 “[2] (4) ‘Legal expense plan’ or ‘plan’ means [*the*] **an** agreement between
7 an organization and a person or a group of persons [*whereby*] **under which**
8 **the organization, in return for a specified payment as consideration,**
9 **reimburses the person or group of persons as members of the plan for**
10 **charges the person or group of persons incurs for** legal services [*are to*
11 *be provided to the person or group of persons as members, or whereby the*
12 *persons as members are to be reimbursed for charges incurred for legal ser-*
13 *VICES, in consideration of a specified payment*].

14 “[3] (5) ‘Member’ means a person who is eligible to receive legal services
15 under a legal expense plan.

16 “[4] (6) ‘Membership agreement’ means [*the*] written evidence of cover-
17 age of a member under a plan between an organization and members.

18 “[5] (7) ‘Provider agreement’ means a written contract or agreement
19 between an organization and a providing attorney for [*the*] rendering [*of*]
20 legal services to a member or group of persons.

21 “[6] (8) ‘Providing attorney’ means any attorney licensed and in good
22 standing in this state who provides legal services [*pursuant to the*] **in ac-**
23 **cordance with a membership agreement or a provider agreement.**

24 “[7] (9) ‘Sales or marketing representative’ means [*any*] **a** person who
25 markets or solicits members for or on behalf of a plan.

26 “**SECTION 2.** ORS 750.525 is amended to read:

27 “750.525. ORS 750.505 to 750.715 do not apply to the following arrange-
28 ments:

29 “(1) **A** retainer [*contracts made by*] **contract that** an attorney or firm of
30 attorneys **makes** with a specific individual, [*pursuant to*] **under the terms**

1 **of which the attorney or firm bases** fees [*are based*] on reasonable esti-
2 mates of the nature and amount of services [*to be provided,*] **the attorney**
3 **or firm will provide**, and similar contracts [*made by*] **that** an attorney or
4 firm of attorneys **makes** with a group of clients involved in the same or
5 closely related legal matters.

6 “(2) Any two-party agreement [*providing for the delivery of*] **for delivering**
7 specified legal services in return for a specified payment, including [*an ad-*
8 *ministrative*] **a fee for administering the agreement or services related**
9 **to the agreement**, [*whereby an arrangement is made between*] **under the**
10 **terms of which** an attorney or firm of attorneys [*and*] **arranges to provide**
11 **legal services to** a group of individuals who are all members of the same
12 bona fide nonprofit membership organization, **such as a church, trade**
13 **group, credit union or association**, or a group of individuals who are all
14 employed by the same employer[, *the primary purpose of which is*] **and the**
15 **primary purpose of the nonprofit membership organization or the**
16 **employer is** other than [*the provision of legal services*] **providing legal**
17 **services**. [*Such groups of individuals may be but are not limited to churches,*
18 *trade groups, credit unions or associations. Under such an arrangement no*]
19 **An agreement is exempt from the application of ORS 750.505 to 750.715**
20 **under this subsection only if the agreement does not involve a third**
21 **party such as a legal expense organization or sales or marketing represen-**
22 **tative** [*may be involved*] in receiving any of the specified payments or in
23 overseeing the delivery of the specified legal services.

24 “(3) **A referral of** [*individual clients*] **a client** to an attorney, to the extent
25 that [*such referral is provided by*] a nonprofit lawyer referral service or
26 public corporation such as a state or local bar association[, *so long as there*
27 *is no*] **provides the referral and does not** charge for [*such*] **the referral**.

28 “(4) Employee welfare benefit plans to the extent that [*state regulation is*
29 *preempted by*] Section 514 of the federal Employee Retirement Income Secu-
30 rity Act of 1974, or successor legislation, **preempts state regulation**.

1 “(5) Legal assistance plans financed primarily by public funds, interest
2 on lawyers trust accounts funds under the regulation of the Oregon State
3 Bar or other public service funds.

4 “(6) Authorized insurers [*offering*] **that offer** legal expense insurance in
5 this state.

6 “(7) **A legal access provider that pays only an administration fee to
7 an attorney and does not pay for or reimburse a customer of the legal
8 access provider for legal services that the attorney provides to the
9 customer.”.**

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