

Requested by Representative MCLANE

**PROPOSED AMENDMENTS TO
HOUSE BILL 4136**

1 On page 1 of the printed bill, line 2, after “ORS” insert “20.340 and”.

2 On page 2, after line 13, insert:

3 **“SECTION 3.** ORS 20.340 is amended to read:

4 “20.340. (1) In any civil action arising out of bodily injury, death or
5 property damage, including claims for emotional injury or distress, loss of
6 care, comfort, companionship and society, and loss of consortium, if an at-
7 torney for a plaintiff in respect to any civil action enters into an agreement
8 with the plaintiff whereby the attorney receives as a fee a percentage of the
9 amount of any settlement or judgment awarded to the plaintiff:

10 “(a) The contingent fee agreement shall be written in plain and simple
11 language reasonably believed to be understandable by the plaintiff.

12 “(b) The attorney shall explain the terms and conditions of the agreement
13 in compliance with a model explanation in plain and simple language pre-
14 pared by the Oregon State Bar a reasonable time before the agreement is
15 signed.

16 “(c) The contingent fee agreements must contain a provision allowing the
17 plaintiff to rescind the agreement within 24 hours after signing upon written
18 notice to the attorney.

19 “(2) Any contingent fee agreement entered into on or after September 26,
20 1987, that does not comply with the requirements of subsection (1) of this
21 section is voidable.

1 **“(3) A contingent fee agreement may not provide for the attorney**
2 **to receive as a fee a percentage of more than \$500,000 of noneconomic**
3 **damages, as that term is defined in ORS 31.710, awarded to the**
4 **plaintiff. An agreement entered into in violation of this subsection is**
5 **void.**

6 **“SECTION 4. The amendments to ORS 20.340 by section 3 of this**
7 **2016 Act apply only to agreements entered into on or after the effective**
8 **date of this 2016 Act.”.**

9 In line 14, delete “3” and insert “5”.

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