

**SB 358 -5 STAFF MEASURE SUMMARY**

**Senate Committee On Judiciary**

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**Prepared By:** Channa Newell, Counsel

**Meeting Dates:** 1/30, 3/26

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**WHAT THE MEASURE DOES:**

Reorders provisions for information sharing between Department of Revenue and Oregon State Bar when Department has reasonable grounds to believe an attorney failed to prepare a return or report, prepared a return in violation of rules of professional conduct or engaged in prohibited conduct, or failed to file a return or report as required by law. Specifies that information provided by the Department is confidential and not subject to disclosure unless the professional responsibility board makes finding of probable cause of a rule violation or the matter reaches final resolution. Revises process for certification and default on lawyer trust accounts. Allows Bar to charge membership fees to members who have been admitted to practice in Oregon for more than 50 years. Takes effect 91 days sine die.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

-5 Includes additional actions for which the Department of Revenue may notify Oregon State Bar, including the person admitted to practice law failed to file a required return, or the person failed to withhold or remit personal income taxes on behalf of another, and did not file properly file an appeal and Department is unable to collect.

Modifies provisions of Board of Governors. Directs authority to adopt, alter, amend, or repeal bylaws from Board to state bar. Charges Board with executive functions of state bar. Specifies that Supreme Court retains inherent authority to adopt rules for the operation of the courts, including regulation of practice of law. Specifies modifications to ORS 9.080 becomes effective January 1, 2020.

**BACKGROUND:**

The Oregon State Bar was established in 1935 to license and discipline lawyers, regulate the practice of law, and provide services to bar members and the public. There are over 14,000 individuals admitted to practice law in Oregon.

Senate Bill 358 reorder and clarifies provisions relating to data sharing between the Department of Revenue and the Oregon State Bar when the Department has reasonable grounds to suspect a bar member prepared a return in violation of a duty to a client or in violation of prohibited conduct. The measure also specifies the process for notification of default on a lawyer trust account. Finally, the measure removes a prohibition on the bar from charging membership fees to attorneys who have been admitted to practice law in Oregon for more than 50 years.