

**Testimony before the House Judiciary Committee
In support of SB 358 A
On behalf of the Oregon State Bar
April 30, 2019**

Chair Williamson, members of the committee:

My name is Christine Costantino and I have a family law practice at Samuels Yoelin Kantor in Portland. I am speaking to you today as the 2019 Oregon State Bar President. It is a pleasure to be here today and I welcome the opportunity to talk with you about the Oregon State Bar.

The Oregon State Bar is an instrumentality of the judicial department and is governed by the OSB Board of Governors. The Oregon State Bar supports public protection for court users, the advancement of a fair, inclusive and accessible justice system, and the administration of justice and a fair and impartial judiciary.

Senate Bill 358 A addresses four distinct and important issues related to the governance of the Oregon State Bar: clarifying the mission of the Bar and its role within the judicial branch, creating consistent reporting requirements for lawyers in Oregon, addressing the changing demographics of lawyers in Oregon, and facilitating the ability of the bar to work with state agencies.

Changes to the makeup of the bar, the availability of new technology, and the evolving nature of the delivery of legal services all indicate that the practice of law is rapidly changing. While the core functions of the bar remain the same, the current OSB mission statement is esoteric and somewhat arcane. SB 358 A places the Bar's mission statement into the Bar Act using language that is understandable in the modern day. Placing this language in statute conforms to current practice and is consistent with the regulatory responsibilities outlined in the Bar Act. In short, these changes clarify the Bar's mission to serve the public interest. In addition, Section 6 of the bill recognizes the Oregon Supreme Court's existing oversight role of the Oregon State Bar.

During the 2015 legislative session, the Legislature passed SB 381 which established new reporting timelines for curing non-payment of licensing fees and the professional liability fund assessment. Section 3 of SB 358 will update ORS 9.675 to ensure that the reporting timelines for confirming compliance with the Interest on Lawyer Trust Accounts (IOLTA) requirements mirrors the reporting timelines put in place through SB 381. This alignment will allow the bar to reap additional system efficiencies.

Additionally, there has been an increased interest in reviewing the licensing fee structure from the bar's membership. During the most recent House of Delegates meeting held in November 2018, the delegates voted to review the current fee structure. As currently written, ORS 9.191(3) restricts the Oregon State Bar's ability to make comprehensive and system-wide decisions about membership fees by exempting 50-year members from the requirement to pay. Streamlining the licensing fee statute will allow the

Board of Governors and House of Delegates to respond more fully to the needs of the membership. The restriction in statute makes it difficult for the bar to take a comprehensive approach to setting licensing fees, including looking at difficulties faced by newer members who often have considerable student loan debt and for whom the cost of licensing fees is the greatest burden.

Finally, under ORS 9.565 the Oregon Department of Revenue currently has the authority to disclose confidential tax information to the Oregon State Bar if an attorney improperly prepares a tax return or report "for another." Last summer, the Department reached out to the Bar with a proposal to allow the Department to disclose tax information to the Oregon State Bar in limited circumstances for OSB regulatory purposes. The language in SB 358 A allows for disclosure in a narrow set of circumstances.

The proposal to allow for information from the Department of Revenue to be shared with the Oregon State Bar will improve the accessibility of information important to the bar's regulatory function while ensuring that the disciplinary system remains narrowly focused on enforcement of the Rules of Professional Conduct. Oregon's attorney discipline system guarantees due process for both complainants and accused lawyers. As a regulatory entity, the bar's primary function is to protect the public and improve the quality of legal services. Allowing this information to be shared with the bar would support this important regulatory purpose.

Thank you for your time. I would be happy to answer any questions you might have.

A handwritten signature in black ink that reads "Christine R. Costantino". The signature is written in a cursive, flowing style.

Christine R. Costantino
2019 Oregon State Bar President