

HB 4007-4
(LC 100)
2/10/22 (MNJ/ps)

Requested by HOUSE COMMITTEE ON JUDICIARY (at the request of Representative Janelle Bynum)

**PROPOSED AMENDMENTS TO
HOUSE BILL 4007**

1 In line 2 of the printed bill, after “courts” insert “; and prescribing an
2 effective date”.

3 After line 2, insert:

4 “Whereas Oregon has an inadequate number of public defenders; and

5 “Whereas Oregon needs at least 1,296 more attorneys to provide effective
6 assistance of counsel; and

7 “Whereas public defenders provide counsel in adult criminal, juvenile
8 delinquency, juvenile dependency, post-conviction relief, habeas, civil com-
9 mitment and protective proceedings, as required by Oregon statutes, the
10 Oregon Constitution or the United States Constitution; and

11 “Whereas Oregon provides trial-level counsel only through private con-
12 tract; and

13 “Whereas a long-term solution will take time, but the need for additional
14 attorneys is immediate; and

15 “Whereas many attorneys have high student loan debts that make it fi-
16 nancially impractical to become public defenders; and

17 “Whereas a large number of public defense providers in Oregon are not
18 eligible for federal student loan forgiveness because they do not meet eligi-
19 bility criteria; now, therefore,”.

20 Delete lines 4 through 7 and insert:

21 **“SECTION 1. The Public Defense Services Student Loan Repayment**

1 Assistance Fund is established in the State Treasury, separate and
2 distinct from the General Fund.

3 “(2) Interest earned by the Public Defense Services Student Loan
4 Repayment Assistance Fund shall be credited to the fund.

5 “(3) Moneys in the fund are continuously appropriated to the Judi-
6 cial Department for the purpose of disbursement to the Oregon State
7 Bar for use by the Public Defense Services Student Loan Repayment
8 Assistance Program established in section 2 of this 2022 Act for ser-
9 vices designed to increase access to the justice system by removing
10 economic barriers for attorneys to practice as public defense attor-
11 neys.

12 “(4) The department may use moneys in the fund for the Oregon
13 State Bar’s administrative costs associated with the fund and with
14 carrying out the provisions of sections 2 and 3 of this 2022 Act.

15 “SECTION 2. (1) As used in this section, ‘public defense attorney’
16 means an attorney:

17 “(a) Who is appointed to defend financially eligible individuals as
18 required by Oregon statutes, the Oregon Constitution or the United
19 States Constitution;

20 “(b) Whose legal work is funded by the office of public defense ser-
21 vices; and

22 “(c) Who meets any further definition of ‘public defense attorney’
23 set forth by the Oregon State Bar.

24 “(2) The Public Defense Services Student Loan Repayment Assist-
25 ance Program is established in the Oregon State Bar.

26 “(3) The program shall provide forgivable loans to an eligible public
27 defense attorney for up to \$25,000 in payments of principal and interest
28 on public or private student loans for each 12 months of service as a
29 public defense attorney. The program may provide forgivable loans to
30 a public defense attorney up to a total of \$200,000.

1 **“(4) A public defense attorney is eligible for the program if:**

2 **“(a) The attorney practices public defense services full time or part**
3 **time, as defined by the Oregon State Bar, while participating in the**
4 **program.**

5 **“(b) The attorney commits to provide public defense services for a**
6 **period of three years.**

7 **“(c) The attorney meets other requirements established by the**
8 **Oregon State Bar under subsection (5) of this section.**

9 **“(5) The Oregon State Bar shall adopt policies for administration**
10 **of the program, including eligibility and application requirements. The**
11 **policies may provide that amounts of forgivable loans for student loan**
12 **payments be based on the amount of the attorney’s practice that is**
13 **providing public defense services.**

14 **“SECTION 3. No later than August 31 of each year, the Oregon**
15 **State Bar shall report on the Public Defense Services Student Loan**
16 **Repayment Assistance Program to a committee or interim committee**
17 **of the Legislative Assembly related to the judiciary. The report must**
18 **include:**

19 **“(1) The number of attorneys who entered the program, and the**
20 **month and year of entry.**

21 **“(2) The average amount of forgivable loans provided to a partic-**
22 **ipant.**

23 **“(3) The total amount of forgivable loans provided.**

24 **“(4) The number of attorneys who participated in the program in**
25 **each county.**

26 **“(5) The number of clients and cases and the case types in which**
27 **public defense services were provided, disaggregated by anonymous**
28 **participation.**

29 **“(6) The number of attorneys who report that participation in the**
30 **program is a substantial factor in removing economic barriers to the**

1 attorney's ability to perform public defense services.

2 “(7) The average amount of outstanding student loan debt for each
3 participant.

4 “(8) The amount remaining in the Public Defense Services Student
5 Loan Repayment Assistance Fund.

6 “(9) Other information that is useful in evaluating the program.

7 **“SECTION 4. (1) The Oregon State Bar shall start accepting appli-
8 cations for the Public Defense Services Student Loan Repayment As-
9 sistance Program established in section 2 of this 2022 Act no later than
10 September 1, 2022.**

11 **“(2) The Oregon State Bar shall make the first report under section
12 3 of this 2022 Act no later than August 31, 2023.**

13 **“SECTION 5. Section 6 of this 2022 Act is added to and made a part
14 of ORS chapter 316.**

15 **“SECTION 6. (1) In computing Oregon taxable income for purposes
16 of this chapter, there shall be subtracted from federal taxable income
17 an amount equal to loan repayment assistance paid to the taxpayer
18 under section 2 of this 2022 Act if the individual to whom the assist-
19 ance was paid is listed on the return.**

20 **“(2) The amount of subtraction allowed under subsection (1) of this
21 section shall be reduced by any deduction allowed for the same
22 amounts to the taxpayer or any other taxpayer listed on the return for
23 the tax year under section 221 of the Internal Revenue Code.**

24 **“SECTION 7. In addition to and not in lieu of any other appropri-
25 ation, there is appropriated to the Judicial Department, for the
26 biennium ending June 30, 2023, out of the General Fund, the amount
27 of \$25,000,000, which shall be deposited in the Public Defense Services
28 Student Loan Repayment Assistance Fund established in section 1 of
29 this 2022 Act.**

30 **“SECTION 8. This 2022 Act takes effect on the 91st day after the**

1 **date on which the 2022 regular session of the Eighty-first Legislative**
2 **Assembly adjourns sine die.”**

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