

HB 4007 A STAFF MEASURE SUMMARY

House Committee On Judiciary

Action Date: 02/11/22

Action: Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)

Vote: 9-0-1-0

Yeas: 9 - Bynum, Dexter, Helm, Kropf, Lewis, Morgan, Power, Wallan, Wilde

Exc: 1 - Noble

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

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Meeting Dates: 2/10, 2/11, 2/11

WHAT THE MEASURE DOES:

Establishes the Public Defense Services Student Loan Repayment Assistance Program for services designed to increase access to the justice system by removing economic barriers for attorneys to practice as public defense attorneys. Appropriates an unspecified amount from the General Fund to the Oregon Judicial Department for the program. Limits administrative fees for the Oregon State Bar (OSB) to five percent of the funds. Directs the OSB to administer the program and adopt rules for administration of the program, including eligibility and application requirements. Requires participants to live and practice in Oregon and commit to at least three years of service as a public defender. Allows program participants to provide public defense services full or part time. Permits qualified applicants to receive up to \$25,000 per year, up to \$200,000 total, in loan repayment assistance. Requires the OSB report to a committee of the legislative assembly related to the judiciary annually on specific data points. Defines "public defense attorney." Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- National data on attorney student loan debt
- LPRO survey on Oregon public defender student loan debt
- Types of cases handled by public defenders
- Pay scale of public defenders
- Borrowers in Oregon over the age of 65 with outstanding student loan debt
- Protecting the rights of the accused
- Balance in the criminal justice system
- Recruiting new law school graduates

EFFECT OF AMENDMENT:

Replaces the measure.

BACKGROUND:

Oregon uses a private contract system to fulfill constitutionally and statutorily required public legal representation for eligible individuals. A January 2022 report on a study commissioned by the Oregon Legislative Assembly concluded that Oregon is meeting only 31 percent of public representation needs, and that at least 1,296 more full-time public defense attorneys would be required to meet the need. In a February 2022 survey of Oregon public defenders conducted by the Legislative Policy and Research Office (LPRO), 61.5 percent of respondents reported working for a nonprofit organization. Metropolitan Public Defenders is the largest single public defense provider, where salaries range from \$65,000 to \$90,000 annually.

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Among all LPRO survey respondents, approximately half had outstanding student loan debt between \$100,000 to \$250,000. Borrowers who are on income-based repayment plans must make payments on 10-15 percent of their adjusted gross income above the federal poverty level. All private loans and certain federal loans are ineligible for the federal public student loan forgiveness program. Borrowers are also ineligible for the federal program if they do not work for a public agency or qualifying nonprofit organization.

House Bill 4007 A creates the Public Defense Services Student Loan Repayment Assistance Program to remove economic barriers imposed by student loan debt on service as a public defense attorney.