

HB 4007-3
(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, as de-**
3 **defined by the Oregon State Bar, while participating in the program.**

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

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

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

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

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

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

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

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

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

28 **“(6) The number of attorneys who report that participation in the**
29 **program is a substantial factor in removing economic barriers to the**
30 **attorney’s ability to perform public defense services.**

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

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

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

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

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

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

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

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

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

29 **“SECTION 8. This 2022 Act takes effect on the 91st day after the**
30 **date on which the 2022 regular session of the Eighty-first Legislative**

1 **Assembly adjourns sine die.”.**

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