HB 4007-5 (LC 100) 2/11/22 (MNJ/ps)

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

## PROPOSED AMENDMENTS TO HOUSE BILL 4007

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

3 After line 2, insert:

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

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

"Whereas public defenders provide counsel in adult criminal, juvenile
delinquency, juvenile dependency, post-conviction relief, habeas, civil commitment and protective proceedings, as required by Oregon statutes, the
Oregon Constitution or the United States Constitution; and

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

"Whereas a long-term solution will take time, but the need for additional
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:

<sup>21</sup> "<u>SECTION 1.</u> (1) As used in this section, 'public defense attorney'

1 means an attorney:

"(a) Who is appointed to represent eligible individuals as required
by Oregon statutes, the Oregon Constitution or the United States
Constitution;

5 "(b) Whose legal work is funded by the office of public defense ser6 vices; and

"(c) Who meets any further definition of 'public defense attorney'
set forth by the Oregon State Bar.

9 "(2) The Public Defense Services Student Loan Repayment Assist 10 ance Program is established in the Oregon State Bar.

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

16 "(4) A public defense attorney is eligible for the program if:

17 "(a) The attorney resides in this state;

"(b) The attorney practices public defense services in this state full
 time or part time, as defined by the Oregon State Bar, while partic ipating in the program;

"(c) The attorney commits to provide public defense services for a
 period of three years; and

"(d) The attorney meets other requirements established by the
Oregon State Bar under subsection (5) of this section.

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

30 "SECTION 2. No later than August 31 of each year, the Oregon

State Bar shall report on the Public Defense Services Student Loan
 Repayment Assistance Program to a committee or interim committee
 of the Legislative Assembly related to the judiciary. The report must
 include:

5 "(1) The number of attorneys who entered the program, and the 6 month and year of entry.

7 "(2) The average amount of forgivable loans provided to a partic8 ipant.

9 "(3) The total amount of forgivable loans provided.

"(4) The number of attorneys who participated in the program in
 each county.

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

"(6) The number of attorneys who report that participation in the
 program is a substantial factor in removing economic barriers to the
 attorney's ability to perform public defense services.

"(7) The average amount of outstanding student loan debt for each
 participant.

20 "(8) Other information that is useful in evaluating the program.

"<u>SECTION 3.</u> (1) The Oregon State Bar shall start accepting appli cations for the Public Defense Services Student Loan Repayment As sistance Program established in section 1 of this 2022 Act no later than
 September 1, 2022.

25 "(2) The Oregon State Bar shall make the first report under section
26 2 of this 2022 Act no later than August 31, 2023.

27 "<u>SECTION 4.</u> Section 5 of this 2022 Act is added to and made a part
 28 of ORS chapter 316.

29 "<u>SECTION 5.</u> (1) In computing Oregon taxable income for purposes
 30 of this chapter, there shall be subtracted from federal taxable income

an amount equal to loan repayment assistance paid to the taxpayer
under section 2 of this 2022 Act if the individual to whom the assistance was paid is listed on the return.

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

"SECTION 6. In addition to and not in lieu of any other appropri-8 ation, there is appropriated to the Judicial Department, for the 9 biennium ending June 30, 2023, out of the General Fund, the amount 10 of \$\_\_\_\_\_, which may be transferred to the Oregon State Bar for 11 the purpose of providing forgivable loans under the Public Defense 12 Services Student Loan Repayment Assistance Program established in 13 section 1 of this 2022 Act. The Oregon State Bar may use up to five 14 percent of the moneys transferred to pay the administrative costs of 15the program. 16

"SECTION 7. This 2022 Act takes effect on the 91st day after the
 date on which the 2022 regular session of the Eighty-first Legislative
 Assembly adjourns sine die.".

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