

OREGON STATE BAR
LEGISLATIVE PROPOSAL
Part I – Legislative Summary

Re: [SB 768](#) - OSB Governance Structure – Ch. 9 Update

Submitted by: Oregon State Bar

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1. Does this amend current law or program? Yes, ORS Chapter 9.

2. Problem Presented:

- A) **Board Bylaws.** Subjects OSB Bylaws to review by the Supreme Court.
- B) **Client Security Fund.** Clarifies that ORS 9.657 Client Security Fund immunity applies to both claims and awards, rather than just claims.
- C) **Custodianship.** ORS 9.715 currently provides that only the Oregon State Bar may petition the court to take jurisdiction over a law practice. ORS 9.725 provides that the court may appoint only the Oregon State Bar to serve as custodian in the event the court takes jurisdiction under ORS 9.715.
- D) **Court Facilitators.** The increased interest in self-help centers in the courthouses, has raised a concern that assistance from court staff and court volunteers may be misunderstood and considered legal advice. While statutory language does exist stating that family law assistance is not considered legal advice, there are no statutory protections for other areas of law.
- E) **Electronic Voting.** Amends ORS 9.142 and allows Oregon State Bar House of Delegate members to vote electronically and have their votes published after the meeting.
- F) **Limited License.** Provides the Oregon Supreme Court with authority to admit individuals with a substantial legal education as associate members of the Oregon State Bar.
- G) **Insurance Code exempt entities.** Throughout its 41 year history, the Oregon Insurance Code has always been understood to not apply to the Professional Liability Fund (PLF). The PLF, however, is not currently listed as one of the exempt entities in ORS Chapter 731.

3. Solution:

- A) **Board Bylaws.** Updates ORS 9.080(1) to provide that OSB Bylaws are subject to review and approval by the Supreme Court.

- B) Client Security Fund.** Amends ORS 9.657 to clarify that the provisions of the Client Security Fund apply to both claims and awards.
- C) Custodianship.** Amends ORS 9.715 to allow any attorney to file the petition to allow the court to appoint an attorney other than the bar to serve as custodian of a lawyer trust account if the bar declines to do so. Further, the proposal would clarify that during probate of a deceased lawyer's estate, the court has jurisdiction to determine to whom property in the lawyer trust account belongs.
- D) Court Facilitators.** Amends ORS 9.160 to clarify that court staff and court volunteers working in a court-sponsored program are not engaged in the practice of law (which will increase access to the court system and facilitate greater procedural fairness).
- E) Electronic Voting.** Amends ORS 9.142 and allows HOD members to vote electronically and have their votes published after the meeting.
- F) Limited License.** Provides the Oregon Supreme Court the authority to allow for limited licenses and the creation of associate bar membership.
- G) Insurance Code exempt entities.** Includes cross-reference to Professional Liability Fund as an exempt entity under ORS 731.036.

**OREGON STATE BAR
LEGISLATIVE PROPOSAL
Part II – Legislative Language**

SB 768 - <https://olis.oregonlegislature.gov/liz/2021R1/Measures/Overview/SB768>