



SENATE MAJORITY OFFICE

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CONTACT: Molly Woon (503) 986-1074
molly.woon@state.or.us

Senate Democrats approve class action lawsuit reform, funding for Legal Aid

Final legislative vote clears path to Governor's desk

SALEM – Senate Democrats approved major class action reforms this morning with passage of House Bill 2700. The bill will increase corporate accountability and provide funds for legal services for vulnerable Oregonians.

“Today we take a major step toward increasing fairness and justice in how Oregon addresses class action lawsuits,” said Senator Floyd Prozanski (D-Eugene), chair of the Senate Judiciary Committee. “House Bill 2700 will ensure that guilty parties fulfill their obligation to those harmed while having the potential to dramatically increase the number of low-income Oregonians that Legal Aid can help all across the state.”

Currently, Oregon law says that when a corporation is found liable for harming the public and a judge awards a settlement to those who were injured, the corporation is able to keep any unclaimed settlement funds. Oregon is one of only a handful of states in the country that allows corporate wrongdoers to keep unclaimed settlement funds.

HB 2700 would end that practice by giving the judge in the case discretion to send up to 50 percent of the unclaimed funds to a non-profit service addressing the damage done in a specific case. The remainder of the money would go to Legal Aid Services of Oregon, providing critical access to civil legal services for those most in need.

“This legislation will hold corporate wrongdoers accountable and I can think of no better place for unclaimed funds in these lawsuits to go than Legal Aid Services of Oregon,” said Senate Majority Leader Diane Rosenbaum (D-Portland). “When we say the Pledge of Allegiance on the

Senate Floor each day we close with “justice for all.” We need programs like civil legal aid to ensure that the very principle our founding fathers envisioned remains alive: justice for all, not just the few who can afford it.”

Legal Aid Services of Oregon provides legal assistance to low-income Oregonians dealing with cases like foreclosure, child support, elder abuse, unpaid wages, and domestic violence. The funds made available by HB 2700 would help provide legal services to more struggling families in every corner of the state.

Similar legislation introduced in the 2014 Session failed to receive the votes to pass off the Senate Floor. HB 2700 will now go to the Governor for her consideration.

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