



King County

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King County Executive

News Release

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King County and class counsel reach tentative settlement in *Dolan* class action

Class members to be enrolled in public pension system

King County and attorneys for the class today announced they have reached a tentative settlement in the *Dolan v. King County* class action lawsuit. The lawsuit involves claims against King County on behalf of the current and former attorneys and staff of the non-profit agencies that provide its public defense services. The settlement comes after a ruling earlier this year from the Washington Supreme Court requiring King County to enroll class members for pension benefits in the Washington Public Employees Retirement System (PERS).

The plaintiffs are represented by attorneys in the firm of Bendich, Stobaugh & Strong (David Stobaugh, Steve Strong, Lynn Prunhuber and Steve Festor).

The proposed settlement is contingent on approval by the Metropolitan King County Council and Pierce County Superior Court Judge John R. Hickman.

King County enrolled current public defense employees in PERS in April 2012 under an order from Judge Hickman. Under the settlement, class members will obtain pension service credit for the time when they worked at the public defense agencies between January 1, 1978 and April 1, 2012.

King County will pay the PERS retirement contributions attributable to the class members' service at the public defense agencies, which are expected to be approximately \$31 million. Funds for this payment have already been set aside for this contingency, above the County's normal budget reserves and fund balances. Class members will release King County from all claims relating to pension and other employee benefits up through July 1, 2013.

The proposed settlement also requires that, on July 1, 2013, King County will recognize the class members who are then employed as public defense employees as employees of King County with full employee benefits for their positions. These

benefits include King County health insurance and other County benefits. How King County accomplishes this recognition, and how it organizes the public defense function, are left up to King County and are not part of this settlement.

The only payment required from class members is their pro rata share of the Court-awarded attorney fees. The attorney fees will be a percentage of the present value of the future retirement benefits obtained as a result of the *Dolan* lawsuit, which Class Counsel estimates to be approximately \$130 million. The attorney fee percentage is estimated to be about 9.2% or less and is subject to approval by the court. The attorney fees will be advanced from one or more sources and will be repaid by the class members through deductions from future retirement benefits. The fee award does not increase the amount King County will pay.

"We are pleased with the tentative settlement," said plaintiffs' attorney Steve Strong. "It complies with the Washington Supreme Court's decision in the *Dolan* case and provides benefits to the class."

"At King County we're proud of the excellence of the public defenders and defender staff, and we look forward to resolution of this lawsuit," said Dwight Dively, the County's Director of the Office of Performance, Strategy and Budget. "King County has years of demonstrated commitment to supporting effective public defense, and that commitment will frame our decisions as we move forward."

The director of the King County Office of Public Defense, David Chapman, has already started gathering input from the public defense agencies, the courts and other stakeholders about how to organize and deliver public defense services in the future. Any proposal would be transmitted by the County Executive to the King County Council for adoption.

Under the settlement, neither King County nor the class are making any admissions about the merits of the claims or defenses asserted in the *Dolan* lawsuit. A more detailed notice describing the terms of the proposed settlement and the process for the court's consideration of it will be issued after it is approved by the County Council and preliminarily approved by the court.

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