

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
75th Oregon Legislative Assembly
2009 Regular Session
Legislative Revenue Office

Bill Number: HB 2287 B
Revenue Area: Court Fees
Economist: Mazen Malik
Date: 6/22/09

Measure Description:

Establishes the Judicial System Surcharge account in the General Fund. Establishes a trigger for distributions of revenues in the account, and the distributions of revenues left in the account after appropriations. Extends current surcharges (that sunset in June) to October 2009. Reinstates the same surcharges from October 2009 until July 2011. Establishes new surcharges and fees on offenses, increases filing fees, probation fees, probate accounting fees and other existing fees. Sunsets the increases and returns fees to their current levels in July 2011. Establishes an Interim Committee on State Justice System Revenues to report to the 2011 regular session.

Revenue Impact:

(in \$Millions)	Fiscal Year		Biennium
	2009-10	2010-11	2009-11
Judicial System Surcharge Account (GF)			
Extension of surcharges	0.384	0.384	\$ 0.768
Offenses Surcharges	4.071	5.428	\$ 9.500
New Civil Fees	11.48	15.307	\$ 26.788
Increase to Existing Fees	1.175	1.566	\$ 2.741
Total State Revenue	\$17.056	\$22.741	\$39.797
Local Municipal Courts (Cities)	5.2	6.9	\$13.1
Local Justice Courts (Counties)	2.5	3.5	\$6.0
Grand Total All Revenue	\$24.701	\$33.085	\$57.786
Distributions			
DOR Admin Costs (0.05%)			\$0.020
Judicial Department (65%)			\$6.5
Public Defense Services Commission (35%)			\$3.5
Judicial System Surcharge Account			\$29.777
Municipal Courts (Cities)			\$13.1
Justice Courts (Counties)			\$6.0

Numbers might not total due to rounding.

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Impact Explanation:

This bill is a package of revenue options for the Judicial Department that raise around \$40 million in the next biennium. It directs the revenue to the Judicial System Surcharge Account, and distributes (after DOR admin cost) the first \$10 million to the Judicial Department (65%) and Public Defense Services (35%). The remaining amounts in the Surcharge account will be examined and distributed by future legislative action.

The revenue proposal is divided into four categories:

- (1) Extension of existing surcharges. Extending the current surcharges on filing fees that would have expired in June 09, to October 09 (\$98,160), then from October 09 to the end of the biennium (July 2001).

- (2) Create new surcharges on offenses (\$35 on felonies and Misdemeanors, and \$45 on violations excluding parking).

Revenue Category	Rate Increase	Net Revenue Generated 2009-11
(2) Assessment		
Violations	\$ 45	\$ 7,330,000
Misdemeanors	\$ 35	\$ 1,404,000
Felonies	\$ 35	\$ 765,700
Sub-Total		\$ 9,499,700

- (3) Imposes new fees on civil actions such as filing, probation, probate accounting, diversion program, expunction, appeal fees and others.

- (4) Increases some existing fees. Such as trial, hearing, name change, garnishment and other collection fees.

(3) New Civil Fees	Rate	Net Revenue
PSAS/PSFE (increase by \$100 to \$200)	\$ 100	\$5,400,000
Security Release Deposits	remove cap	\$ 3,476,600
Third Party	varies	\$ 290,000
Amount in Controversy Escalator	varies	\$ 1,430,000
Court Monitoring Fee	\$ 100	\$ 2,918,100
Annual Accounting Fee - Probate		\$1,257,600
Probation Violation Assessment	\$ 25	\$ 598,500
Diversion Administration Fee		\$ 1,126,100
Expungement	\$ 250	\$ 2,046,500
Appellate Filing w/Additional Parties (civil only)	\$ 154	\$ 478,000
Fee for settlement conferences	\$ 100	\$ 750,700
Appellate Response w/Additional Parties	\$ 154	\$ 317,900
Motion Fee for Extension of time on appellate	\$ 50	\$ 265,600
Ex Parte Fee	\$ 10	\$ 1,010,600
Multiple party - civil	\$117	\$ 5,421,500
Sub-Total		\$ 26,787,700

The State Judicial System Surcharge Account is created in the General Fund to bridge the shortfall in revenues related to maintaining the court system. The new fees and surcharges are to sunset at the end of next biennium. A task force is established in the Interim to provide recommendations for future stable revenue sources for the state court system. The bill will allow the local courts to keep the fees they raise for their own courts.

(4) Increases to Existing Fees	Rate	Net Revenue
Court Trial Fee	varies	\$ 212,700
Court Hearing fee	varies	\$ 556,200
Defendant denying claim and demanding hearing	\$ 50	\$ 573,100
Name Change	\$ 61	\$ 310,600
Tax Court	varies	\$ 260,500
Writ of Garnishment	\$ 6	\$ 329,200
FED	\$ 12	\$ 499,100
Sub-Total		\$ 2,741,400

Creates, Extends, or Expands Tax Expenditure: Yes No