

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2710-B

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session
Legislative Fiscal Office

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Measure Description:

Revises laws relating to court fees.

Government Unit(s) Affected:

Department of Agriculture, Department of Revenue(DOR), Housing and Community Services Department, Judicial Department; Department of Human Services (DHS); Oregon Health Authority (OHA), Oregon University System (OUS); Legislative Committee Services; Legislative Fiscal Office; and Legislative Revenue Office, and Counties.

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis: The measure continues the current law civil filing fees for three months and extends the temporary civil and criminal fees and assessments under HB 2287 (2009) for three months. Beginning October 1st, 2011, the measure establishes a new civil filing fee structure in statute. The new civil filing fee structure is based on fixed dollar amount filing fees, which do not include any add-on charges or surcharges. The new fee amounts will be uniform across all the state courts. The measure has an emergency clause and is effective on passage with operative dates for the new civil filing fee structure.

The measure is estimated to total generate \$85.4 million of court fee revenue during the 2011-13 biennium. This includes revenue from a temporary extension of HB 2287 (2009) for three month and 21 months of the new civil court fee schedule.

The measure removes the temporary HB 2287 (2009) Judicial System Surcharge Account from statute and directs all revenue be deposited into the General Fund.

The measure includes language that it is the intent of the Legislative Assembly to fund entities who have historically received court revenues through the budget process with General Fund appropriations. Legal Aid services, however, will receive an \$11.9 million direct distribution of civil filing fee revenue from a statutory account within the Judicial Department. The Judicial Department will make quarterly revenue distributions from the account for Legal Aid.

The uniform fee schedule includes \$3 for court facilities. These funds will be deposited into an account in the Judicial Department. An advisory committee, including legislators and a county representative, will be established in HB 5056 to assist the Chief Justice to establish expenditure plans for these funds in the 2011-13 biennium.

The measure shifts the Collection and Revenue Management Program in the Judicial Department back to the General Fund.

The expenditure impact of the measure is indeterminate. OJD will likely have long-term administrative savings due to the elimination of multiple add-on fees, variable fees, and other fees that require separate fee calculations from receipting staff. OJD will have routine one-time costs associated with updating its information technology infrastructure to reflect the statutory changes in the measure.

Department of Agriculture, Department of Revenue, Housing and Community Services Department, Judicial Department, Department of Human Services; Oregon Health Authority; Oregon University System; and would not have a fiscal impact.

The measure also increases the filing fees for small claims actions in Justice Courts, to equalize these fees among the courts in Oregon.

The measure establishes a Joint Committee on State Court Revenue Structure that is to be staffed by the Legislative Committee Services, Legislative Fiscal Office, and Legislative Revenue Office, which are not expected to have a fiscal impact. The Joint Committee will repeal upon the convening of the 2013 Legislature.