

Joint Committee on Ways and Means

Carrier – House: Rep. Olson
Carrier – Senate: Sen. Prozanski

Revenue: Revenue statement issued

Fiscal: Fiscal statement issued

Action: Do Pass the A-Engrossed Measure as Amended and be printed B-Engrossed

Vote: 20 – 5 – 0

House

Yeas: Beyer, Buckley, Cowan, Komp, Kotek, McLane, Nathanson, Nolan, Richardson, G. Smith, Whisnant

Nays: Freeman, Garrard, Thatcher

Exc:

Senate

Yeas: Bates, Devlin, Edwards, Girod, Johnson, Monroe, Nelson, Verger, Winters

Nays: Thomsen, Whitsett

Exc:

Prepared By: John Borden and Robin LaMonte, Legislative Fiscal Office

Meeting Date: June 27, 2011

WHAT THE MEASURE DOES: House Bill 2710 updates and simplifies the current statutory revenue and distribution structure related to civil filing fees and assessments.

The measure has an emergency clause and is effective on passage. The measure requires a three-fifths vote for passage.

ISSUES DISCUSSED:

- Critical importance that measure be signed into law by July 1, 2011
- Emergency clause and three-fifths vote requirement
- Temporary three-month Extension of HB 2287 (2009)
- October 1, 2011 implementation date
- New fee schedule
- Administrative impact on courts
- Impact to the General Fund
- Impact on Judicial Branch budgets
- Eligible entities and companion General Fund appropriation measure (HB 5056)
- Court facilities and security
- Justice and Municipal Courts
- Small Claims
- County Law Libraries
- Role of Joint Committee on State Court Revenue Structure and its sunset

EFFECT OF COMMITTEE AMENDMENT: Moves the operative date to October 1st, 2011. Delays the sunset on House Bill 2287 civil surcharges and fees to October 1, 2011. Adds language that indicates that the intent of the Legislative Assembly is that entities which previously received funding from dedicated filing fees will now receive funding through appropriations from the General Fund. Creates a direct distribution to Legal Aid from a General Fund account in the Judicial Department. Eliminates the Civil Revenue Account and directs all civil fee revenues to be paid into the General Fund. Adds a \$3 filing fee to fund an account to provide assistance to counties with critical state court facility improvement needs. Reinstates the Appellate Mediation Program to the list of eligible entities. Raises the jurisdiction of the small claims departments of circuit and justice courts to \$10,000. Modifies filing fees payable in Small Claims courts of Justice Courts. Establishes Small Claims filing fee of \$50 for cases less than \$2,500 and \$90 for case more than \$2,500, but less than \$10,000. Establishes a forcible entry detainer fee of \$75. Establishes a garnishment filing fee of \$35. Increases the Small Claims filing fee to \$65. Clarifies that a declaratory judgment actions are subject to the standard filing fee. Increases the fee for issuance of writs of garnishment by the court from

\$10 to \$35. Prevailing party fee in small claims actions was increased to \$93 (without trial) and \$108 (with trial). Reinstates language that the Department of Justice requested relating to an exemption from filing fees for child support cases. Removes from statute the temporary Judicial System Surcharge Account. Transfers funding of the Judicial Department Collection and Revenue Management Program back to the General Fund.

BACKGROUND: House Bill 2710 is one of three measures resulting from the efforts of the Joint Interim Committee on State Justice System Revenues (the Interim Committee), which was established by House Bill 2287 (2009) and which met almost monthly between October 2009 and January 2011. HB 2710 and its companion measures, HB 2711 and HB 2712, replace HB 2287, which sunsets June 30, 2011. These bills continue the level of filing fee revenue necessary to augment General Fund support for the Oregon State Court System. HB 2287 provided approximately \$34 million in revenue from temporary fees and surcharges for the 2009-11 biennium.

The Interim Committee was charged with studying the Oregon Judicial Department fee collection and revenue distribution structure; identifying best practices with regard to same; and making recommendations to simplify it. The Interim Committee was guided by a number of principles, including a desire to preserve court access, to improve efficiency, and to achieve a stable, predictable, and transparent flow of money that can be accounted for and easily understood by the public. All the materials collected and produced by the Interim Committee over the course of its progress are available at www.leg.state.or.us/comm/lfo/justicerevenues.htm