

**77th OREGON LEGISLATIVE ASSEMBLY – 2013 Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: HB 2562-C

Carrier – Senate: Sen. Winters

JOINT COMMITTEE ON WAYS AND MEANS

Action: Do Pass the B-Engrossed Measure as Amended and be Printed C-Engrossed

Vote: 25 – 0 – 1

House

Yeas: Barker, Buckley, Freeman, Hanna, Huffman, Jenson, Komp, McLane, Nathanson, Read, Richardson, Smith, Tomei, Williamson

Nays:

Exc: Frederick

Senate

Yeas: Bates, Devlin, Edwards, Girod, Hansell, Johnson, Monroe, Steiner Hayward, Thomsen, Whitsett, Winters

Nays:

Exc:

Prepared By: Kay Erickson, Department of Administrative Services

Reviewed By: Steve Bender, Legislative Fiscal Office

Meeting Date: July 6, 2013

Agency

Oregon Judicial Department

Biennium

2013-15

Budget Summary*

	2011-13 Legislatively Approved Budget ⁽¹⁾	2013-15 Current Service Level	2013-15 Committee Recommendation	Committee Change from 2011-13 Leg. Approved	
				\$ Change	% Change
Other Funds	\$ 0	\$ 0	\$ (2,909,555)	\$ (2,909,555)	100.0%
Total	\$ 0	\$ 0	\$ (2,909,555)	\$ (2,909,555)	100.0%

Position Summary

Authorized Positions	0	0	0	0
Full-time Equivalent (FTE) positions	0.00	0.00	0.00	0.00

⁽¹⁾ Includes adjustments through December 2012

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The measure reduces revenues from justice and municipal courts to the Criminal Fine Account by a projected \$9.2 million in the 2013-15 biennium, and by \$9.4 million in the 2015-17 biennium. The measure directly reduces 2013-15 biennium state payments to counties that are funded in the Judicial Department budget by \$3,459,555, to adjust for amounts that will be provided to counties from justice and municipal court judgments.

The measure increases certain state court filing fee rates by approximately five percent for the period from October 1, 2013 through June 30, 2014. These fee rate increases are forecast to generate approximately \$1.4 million of additional revenues in the 2013-15 biennium. The measure also dedicates revenues of the amount to supporting state court electronic services and systems and providing electronic services and filing services.

Summary of Capital Construction Subcommittee Action

House Bill 2562 clarifies and updates the Oregon Judicial Department’s (OJD) administrative authority in managing court processes and records in an electronic environment.

The measure also contains various provisions governing fines imposed by justice and municipal courts for criminal actions. The measure:

- Reduces the amount of a criminal fine collected by a justice or municipal court that must be paid to the Criminal Fine Account, prior to any other distribution of the fine revenue, from \$60 to \$45.
- Modifies the application of partial fine payments in justice and municipal courts to provide for an equal split in amounts collected (above the first \$45) in situations where a fully-paid fine is split between the state and a local jurisdiction.
- Provides that if a fine is paid in full that the last \$16 of the amount collected is to be paid to the county to be used for drug and alcohol programs, correctional programs and facilities, and local court security.

The bill increases specified state court fees by approximately five percent on October 1, 2013, and sunsets those increases on June 30, 2014.

The bill establishes the State Court Technology Fund in the State Treasury, and dedicates Oregon Judicial Information Network (OJIN) user fees, and fees for the use of other state court electronic applications and systems received on or after July 1, 2013 to the Fund. In addition, the State Court Administrator is directed to deposit 4.75 percent of fees collected from fees that are increased from October 1, 2013 through June 30, 2014 into the State Court Technology Fund. Moneys in the Fund are continuously appropriated to OJD for purposes of state court electronic applications, services, and systems. Interest earned is to be credited to the fund. The projected amount of OJIN fees to be transferred into the Fund is approximately \$4.05 million, and the projected amount from the 4.75 percent transfer is \$1.43 million. The amount of revenue transferred to the State Court Technology Fund during the 2013-15 biennium is projected to total \$5.48 million.

Implementation of the new fee schedule and revenue distribution model will require OJD to make numerous programming modifications to the OJIN system.

Currently, persons who use the new eCourt e-filing system pay the system vendor directly. The measure directs the Oregon Judicial Department to assume payment of electronic filing fees for the filers. The estimated costs for the nine-month period are \$550,000. The Capital Construction Subcommittee increased the Other Funds expenditure limitation established by section 2(6) of House Bill 5016 for the State Court Technology Fund by \$550,000, for payment of these costs.

The Subcommittee reduced the Other Funds expenditure limitation established by section 2(4) of House Bill 5016 for the State Court Facilities and Security Account by \$3,459,555. This reduction is to special payments to counties dedicated to local court security accounts. Counties will replace these funds with moneys received directly from justice and municipal courts that are dedicated to this same purpose.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 2562-C

Oregon Judicial Department
 Kay Erickson -- 503-378-4588

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2011-13 Legislatively Approved Budget at Dec 2012 *	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0	0.00
2013-15 ORBITS printed Current Service Level (CSL)*	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0	0.00
<u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u>									
SCR 102: Administration and Central Support									
Services and Supplies	\$ 0	\$ 0	\$ 550,000	\$ 0	\$ 0	\$ 0	\$ 550,000		
SCR 400: State Court Facilities Security Account									
Special Payments (Distribution to Counties)	\$ 0	\$ 0	\$ (3,459,555)	\$ 0	\$ 0	\$ 0	\$ (3,459,555)		
TOTAL ADJUSTMENTS	\$ 0	\$ 0	\$ (2,909,555)	\$ 0	\$ 0	\$ 0	\$ (2,909,555)	0	0.00
SUBCOMMITTEE RECOMMENDATION *	\$ 0	\$ 0	\$ (2,909,555)	\$ 0	\$ 0	\$ 0	\$ (2,909,555)	0	0.00
% Change from 2011-13 Leg Approved Budget	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%		
% Change from 2013-15 Current Service Level	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%		

*Excludes Capital Construction Expenditures