

## HB 3581: Allowing Courthouse Expansions/Renovations using XI-Q Bonds

## **Problem:**

When it comes time to replace a courthouse, counties typically need state assistance with funding the project. The state offers matching funds to help counties replace unsafe courthouses when the plan is to build a new court facility or remodel another building. However, sometimes remodeling/expanding an existing courthouse is the preferred or most cost effective way to replace the courthouse, and state assistance that can be used to remodel/expand an existing courthouse is limited.

## **Solution:**

Allow state bond funds through the Oregon Courthouse Capital Construction Fund to be used for large-scale expansion or major renovation of existing courthouses, subject to the same cost-effectiveness determination by the Chief Justice that other courthouse replacements are. Providing state bond support for remodeling or expanding existing courthouses would give counties more options for state assistance in providing court facilities.

## **Background:**

Each county has a Circuit Court, which is a state trial court of general jurisdiction. Counties also operate Justice Courts, which have jurisdiction in their county, concurrent with the Circuit Court, in all criminal prosecutions except felony trials. Gilliam, Sherman, and Wheeler Counties also have "county courts" that have jurisdiction over juvenile cases not involving termination of parental rights; in Gilliam, Grant, Harney, Malheur, Sherman, and Wheeler Counties, county courts also handle cases involving probate, adoption, guardianship and conservatorship.

While the state pays the salaries of circuit court judges and support staff and covers their office furniture, equipment, and supplies, counties have to cover all other costs related to court facilities. Providing 'suitable and sufficient' court facilities is a responsibility that statutes place on counties. Historically, no sustainable source of state funding was available to assist counties with maintenance, renovation, or replacement of court facilities. Since 2013, the state has been able to provide bond funding to help counties replace unsafe courthouses: the Courthouse Capital Construction Fund provides matching funds—at a match rate of 50%—for replacing a courthouse via new construction or by renovating another building. Options for obtaining state assistance for major renovation/expansion of existing courthouses are limited: smaller, general fund-supported cash grants have been the main source of this. Because funding amounts typically are smaller, it often is not sufficient to provide significant assistance to major renovation or expansion projects.

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