

Oregon Judicial Department

Budget Reduction Plan



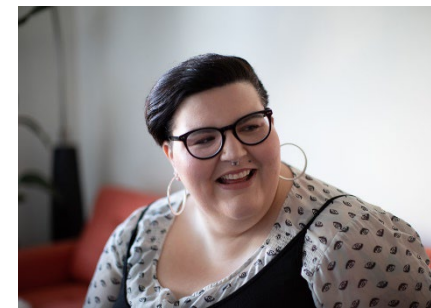
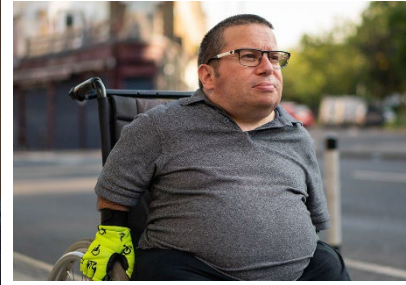
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“The obligation of the legal profession is ...
to **serve as healers of human conflicts.**
... [W]e should provide mechanisms that
can produce an acceptable result in the
shortest possible time, with the least
possible expense and with a minimum of
stress on the participants. **That is what
justice is all about.**”

**Warren Burger, U.S. Supreme
Court Chief Justice**

Overview of the Judicial Branch

-
- **Co-equal branch** with a **constitutional duty** to administer justice “completely and without delay”
 - **Justice system is non-discretionary** – courts must respond to all filings
 - **Statutory mandates** require timely case processing to prevent harm to individuals and communities

Overview of Reduction Request

OJD GF LAB Budget by Appropriation	2025-27 LAB	2.5% Reduction	5% Reduction
Operations and Critical Services	\$705,815,855	\$17,645,396	\$35,290,793
<i>Non-Reduceable Judicial Compensation</i>	\$139,539,575	\$3,488,489	\$6,976,979
Operations, Critical Services, and Judicial Compensation	\$845,355,430	\$21,133,886	\$42,267,772

- Majority of reductions must come from critical services and operations (**88.7%** of OJD GF operations budget is personal services)
- Oregon Constitution **prohibits reducing judicial compensation**, any reduction against that amount must be offset by **deeper cuts to court operations**

1. Reduction Strategy Goals & Criteria

- Minimize immediate community impact
- Use available one-time funds (e.g., carry-forward balances)
- Continue ability to perform mandated proceedings and meet statutory timelines
- Minimize downstream impacts (e.g., revenue loss, disrupted access to justice, threats to public safety)
- Avoid high costs of layoffs and of dismantling critical, mature programs

2. Evaluation Process and Partner Engagement

- Criteria-based prioritization
 - Constitutional and statutory requirements
 - Operational feasibility
 - Community impact
- Partners engaged
 - Presiding Judges
 - Court administrators
 - Passthrough recipients

3. Mitigation Strategies

- Implemented immediate austerity measures
 - Delay hiring
 - Restrict travel and in-person training
 - Defer equipment replacement
 - Discontinue vacation payouts, holiday and overtime work
- Use of carry-forward funds and underutilized appropriations
- Slow or delay launch of new programs
- Continue evaluation of workload and staffing needs
- Secure grant funding whenever possible
- Explore revenue enhancements and efficiencies
- Commitment to maintaining access to justice by focusing on one-time reductions

Summary of Reduction Options – GF Operations & Critical Services LAB

Cumulative Reduction	Reduction Options
2.5% - \$17.6M	<ul style="list-style-type: none">• \$4.4M - Return 2023-25 carry-forward balances• \$3.7M - Reduce third-party collections and state law library assessments• \$1.25M - Delay Washington County courthouse planning• \$1M - 2.5% reductions to pass-throughs and State Court Facility Security Account (SCFSA)• \$7.3M - Continue austerity measures (hold vacancies, limit travel, defer technology replacements)
2.9% - \$20.3M	<ul style="list-style-type: none">• \$2.7M - Delay SB 710 Trauma Informed Domestic Violence Training and HB 2712 Ombuds Program
5.0% - \$35.3M	<ul style="list-style-type: none">• \$1.5M - Additional 2.5% reduction to pass-throughs, third-party collections and SCFSA• \$12.7M - Court closures (16 staff furlough days)• \$727K - Reduced interpreter services and jury trials (mandated payments)

See Appendix slides 16-32 for impacts of each reduction

Summary of Reduction Options – GF Judicial Compensation LAB

Reduction	Amount	Reduction Options
If Judicial Compensation amount is included in First 2.5%	\$3.5M	<ul style="list-style-type: none">• Additional court closures (5 staff furlough days)
If Judicial Compensation amount is included in Second 2.5%	\$3.5M	<ul style="list-style-type: none">• Additional court closures (5 staff furlough days) for a total of 26 court closure days

See Appendix slides 16-32 for impacts of each reduction

Closing Thoughts

- We are committed to our constitutional duty to administer justice “completely and without delay”
- Reduction options are focused on **preserving core services** and **access to justice**
- Courts are committed to doing everything possible to provide services to the community

Questions?

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www.courts.oregon.gov



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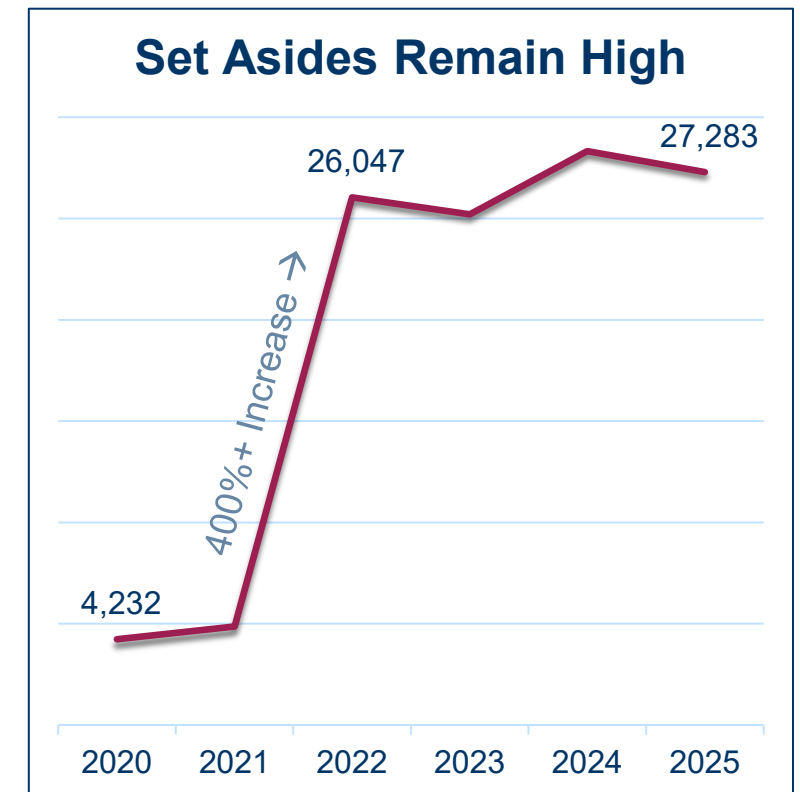
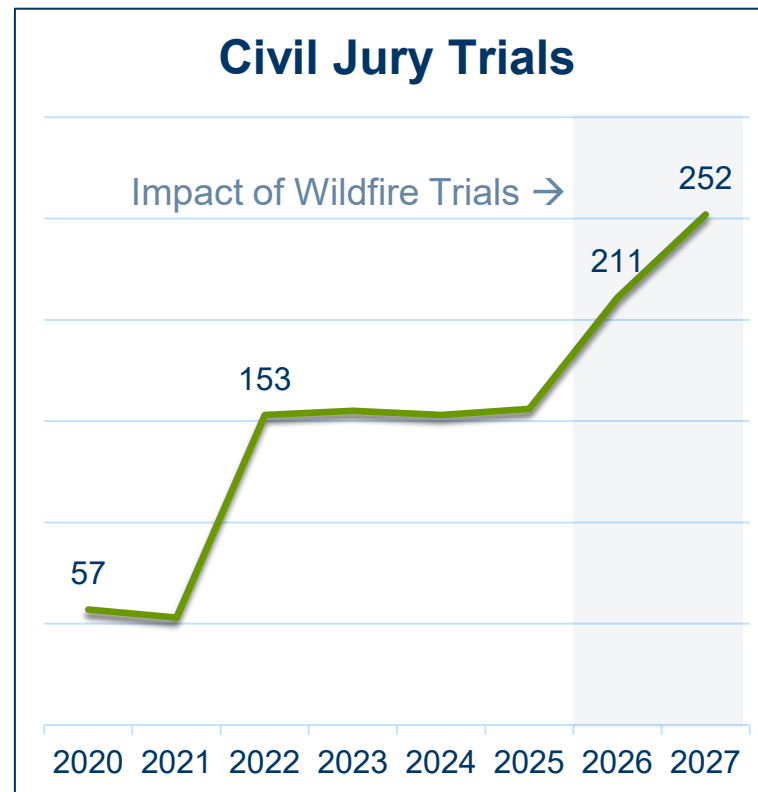
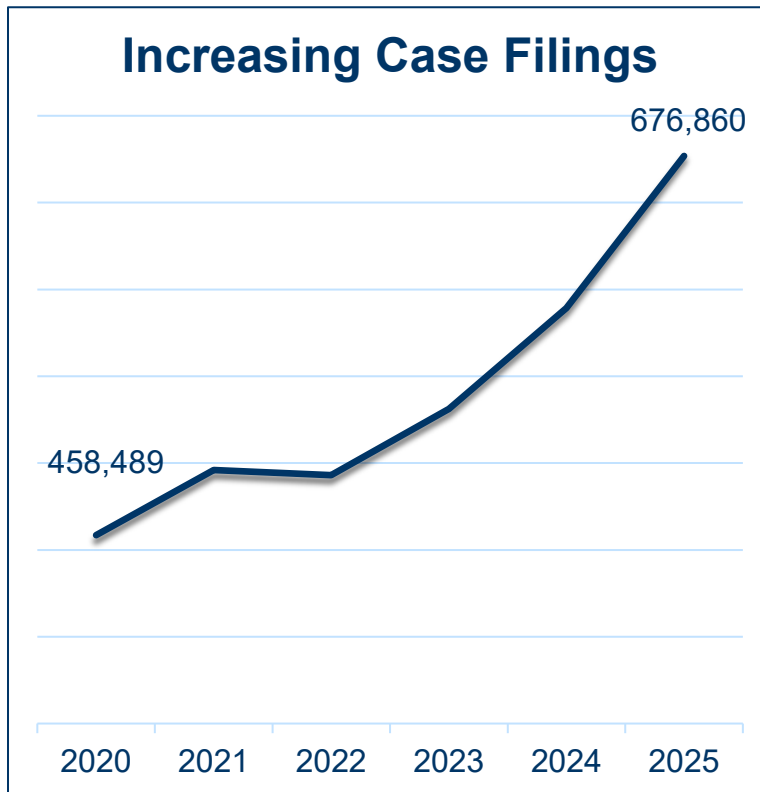
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Appendix

Urgent Issues and Challenges

- Rising Workload
- Operational Challenges
- Impacts of 2.5% and 5% Reductions

Workload is Currently Surging



Rising Caseloads & Work Surges

- **Three consecutive years of increased case filings:** +7.7% (2023), +10.9% (2024), +10.1% (2025 YTD)
- High-growth areas: **debt collection, landlord-tenant, misdemeanors**
- **Wildfire-related trials** require dedicating four judges for three years to avoid delays into 2045
- **Set-aside applications quadrupled** since 2021; 20,000+ filings/year, 11,000+ backlog

Operational Challenges

- **88.7% of OJD's \$597.9M operations budget** is for personnel
- Only 11.3% is for services/supplies and one-third is **paid back to state** (e.g., rent, legal services)
- That leaves only **\$37M** for services/supplies which is insufficient
- OJD relies on vacancy savings to cover gaps - current vacancy rate is **3%**
- **Austerity measures** reduce flexibility to manage critical needs

Budget Reductions Threaten Services to the Public

- **Statewide court locations and statutory timelines** limit flexibility for reductions
- Courts **struggle to perform mandated proceedings** with current resources
- 2025 workload study: **126 staff and 23 judges needed** to meet demand
- Many courthouses are **outdated or unsafe**, hindering access and security
- Budget cuts would **stall progress** on facility improvements and **increase risks**

Impacts of 2.5% Reduction

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- Limits ability to meet public demand for court services
 - Delayed court security projects or prevent the replacement of outdated or non-functional security equipment
 - Reduced access to legal resources and mediation (public, attorneys, state agencies, etc.)
 - Deferred planning for critical infrastructure and potential for long-term cost increases
 - Reduced ability to respond to emerging issues and rising caseloads
 - **If judicial compensation amount is included**, delays in case processing and revenue collection, reduced public access to courts, increased backlogs

Use of Carry-Forward Funds

- **\$4.4 million** from 2023–25 ending balance
- Typically used for unanticipated needs or unfunded technology needs

Impact:

- ✓ No immediate impact
- ⚠ Reduces flexibility for funding of existing urgent needs

Right-size Third-Party Collections Appropriation

- **\$3.0 million** reduction from \$18.1M appropriation
- Aligns collection budget with projected need
- Based on projected actual need of \$15.1M

Impact:

- ✓ No reduction in collection activity, revenue
- ⚠ Less buffer if collection costs increase unexpectedly

Delay Washington County Courthouse Planning

- **\$1.25 million** one-time planning funds

Impact:

- ⚠ Delays planning for replacement of unsafe, overcrowded courthouse
- ⚠ County prepared to match funds now; this support could be lost if delayed
- ⚠ May increase future construction costs due to inflation

Reduce State of Oregon Law Library Assessments

- **\$250,000** reduction to state service charge revenues

Impact:

- ⚠ Delays purchases and statewide legal research subscriptions
- ⚠ State agencies may face higher costs for individual subscriptions
- ⚠ Reduced access to legal research tools

Across-the-Board Cuts to Third-Party Collections and External Pass-Throughs

External Pass-throughs - \$933,108 total reduction

- County law libraries (\$218K)
- Mediation/conciliation (\$218K)
- Legal Aid (\$373K)
- Third Party (\$452K)
- Oregon Law Commission (\$9.7K)
- Council on Court Procedures (\$1.5K)
- Immigration legal services (\$112.5K)

Impact:

- ⚠ Reduced access to legal help for vulnerable populations and self-represented litigants
- ⚠ Increased pressure on courts due to fewer out-of-court resolutions
- ⚠ Reduced ability to develop law reforms and update court rules
- ⚠ Reduced collections for crime victims and state and local entities

Reduce State Court Facilities & Security Projects

- **\$105,647 reduction**

Impact:

- ⚠ Delays or prevents replacement of outdated security equipment
- ⚠ Slows progress on courthouse safety improvements
- ⚠ Potential risks in high-conflict proceedings

Austerity Measures

- **\$7.3 million** in operational reductions
 - Delay hiring (30+ days)
 - Restrict travel and in-person training
 - Defer equipment replacement
 - Reduce services and supplies budget

Impact:

- ⚠ Localized service delays likely
- ⚠ Reduced flexibility to respond to workload surges
- ⚠ Increased risk of equipment failure and training gaps

If Judicial Compensation is included - Court Closure Furlough Days

Implement **5** court closure days, with staff furloughs

- **\$3.5 million** reduction
- All staff furloughed on those days

Impact:

- ✗ Delayed case processing
- ✗ Increased case backlogs and public frustration
- ✗ Reduced public access to courts
- ✗ Reduced access to critical public safety services like protective orders and treatment courts
- ✗ Cutbacks to central functions like IT services, human resources, training and education
- ✗ Delayed revenue collections for crime victims and state and local entities

Impacts of 5% Reduction

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- Court closure days will:
 - Delay case processing
 - Reduce public access to courts
 - Increase backlogs
 - Reduce services and jury trials
 - Reduce collection of fines and fees
 - Reduced legal aid and mediation services, potentially impacting case resolution
 - Deferred security and facility upgrades
 - Inability to respond to urgent issues and rising caseloads
 - **If judicial compensation amount included**, more delays in case processing and revenue collection, even less public access to courts, and more case backlogs

Delay Trauma-Informed DV Training (SB 710)

- **\$808,581** reduction
- Program effective January 1, 2026; staff not yet hired

Impact:

- ⚠ Delays development of trauma-informed domestic violence judicial education until 2027-29
- ⚠ Slows rollout of trauma-informed practices and education

Delay Ombuds Program (HB 2712)

- **\$1.91 million** reduction
- Program effective July 31, 2025; current staff hired as limited duration

Impact:

- ⚠ Delays public feedback and judicial education system
- ⚠ Delays response to public concerns about court experiences
- ⚠ Slows implementation of judicial education and accountability tools

Across-the-Board Cuts to Third-Party Collections and External Pass-Throughs

External Pass-throughs – additional \$933,108 reduction

- County law libraries (\$218K)
- Mediation/conciliation (\$218K)
- Legal Aid (\$373K)
- Third Party (\$452K)
- Oregon Law Commission (\$9.7K)
- Council on Court Procedures (\$1.5K)
- Immigration legal services (\$112.5K)

Impact:

- ⚠ Further limits access to legal help for vulnerable populations and self-represented litigants
- ⚠ Compounds pressure on courts due to fewer out-of-court resolutions
- ⚠ Further delays or reduces ability to develop law reform and update court rules
- ⚠ Additional reductions to collections for crime victims and state and local entities

Reduce State Court Facilities & Security Projects

- **Additional \$105,647** reduction

Impact:

- ⚠ Further delays or prevents replacement of outdated security equipment
- ⚠ Defers or delays courthouse safety improvements
- ⚠ Increases risks in high-conflict proceedings

Court Closure Furlough Days

Implement **16** court closure days, with staff furloughs

- **\$12.7 million** reduction
- Courts closed 1+ days per month
- All staff furloughed on those days

Impact:

- ✗ Delayed case processing
- ✗ Increased case backlogs and public frustration
- ✗ Reduced public access to courts
- ✗ Reduced access to critical public safety services like protective orders and treatment courts
- ✗ Cutbacks to central functions like IT services, human resources, training and education
- ✗ Delayed revenue collections for crime victims and state and local entities

Reduce Mandated Payments

- **\$726,940** reduction

Impact:

- ✗ Delayed civil trials or trials without statutory timelines
- ✗ Reduced court interpreter services

If Judicial Compensation is included – More Court Closure Furlough Days

Implement **5 more** court closure days, with staff furloughs – for a total of **26 court closures**

- **\$3.5 million** reduction
- Courts closed almost 2 days per month
- All staff furloughed on those days

Impact:

- ✗ Delayed case processing
- ✗ Increased case backlogs and public frustration
- ✗ Reduced public access to courts
- ✗ Reduced access to critical public safety services like protective orders and treatment courts
- ✗ Cutbacks to central functions like IT services, human resources, training and education
- ✗ Delayed revenue collections for crime victims and state and local entities