



Legislative Fiscal Office
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Bill Title: Relating to courts.

Government Unit(s) Affected: State Treasurer, Department of Administrative Services, Judicial Department, Oregon Health Authority, Counties, Bonding

Summary of Fiscal Impact: Costs related to the measure are indeterminate at this time - see explanatory analysis.

Measure Description

The measure contains two distinct provisions, one expands bonding of courthouse projects and the other modifies reporting requirements of a community restoration service provider to the court.

The measure authorizes the State Treasurer to issue Article XI-Q bonds for courthouse projects that meet specified criteria if the Chief Justice of the Supreme Court makes a determination, and the Department of Administrative Services (DAS) approves the project. Under the determination of the Chief Justice, a county may renovate or expand a circuit courthouse space by remodeling or repairing the existing courthouse structure or by constructing a new addition to the existing courthouse if the Chief Justice finds it to be more cost effective than building a new courthouse and would significantly improve the facility based on criteria adopted by the Chief Justice.

The measure also indicates that counties requesting to renovate or have an expansion of a circuit courthouse would need to submit matching local funds of not less than 50% of the total estimated costs of the project for deposit into the Oregon Courthouse Capital Construction and Improvement Fund (OCCCIF).

In 2013, due to the state of some county courthouses, the Legislature established the OCCCIF to assist counties in replacing or updating unsafe county-owned courthouse facilities housing the state’s circuit courts. Under current practice, new state-supported courthouses continue to be owned by counties but are operated by the State under no-cost lease agreements. State funds may pay up to one-half of allowable project costs if the facility provides space to other state agencies (i.e., “co-located”); otherwise, state funding cannot exceed one-quarter of allowable project costs. Allowable project costs generally are limited to costs for court space, co-located state agency space, and shared areas or services that directly support the court. However, under current law, eligible projects only pertain to the replacement of unsafe county-owned courthouse facilities and does not include renovations, additions, or deferred maintenance. Under this measure, projects for circuit courthouse renovations, additions, and deferred maintenance would become eligible for OCCCIF, if local matching funds are available.

Lastly, the measure specifies that either a community mental health program director or, by the delegation of the program director, the entity providing community restoration services to the defendant must file notice to the court within two judicial days of a defendant’s non-compliance or resumed compliance with community restoration requirements. Under current law a community restoration services provider is required to

immediately notify the court if a defendant was non-compliant or resumed compliance with community restoration requirements.

Fiscal Analysis

Oregon Courthouse Capital Construction and Improvement Fund

The fiscal impact to the Oregon Judicial Department (OJD) is minimal regarding the administrative functions to facilitate the work of the measure given the Department’s existing work under the OCCCIF. However, the fiscal impact of the bonding portion is indeterminate. Since the measure allows for renovations and additions to existing courthouses in addition to replacement projects, it is unknown how many counties may request renovations or additions under OCCCIF and how many the Chief Justice will determine fall under the specified requirements and then subsequently be approved by the Legislature. The level of renovations and additions will also vary between each project as well as the matching funding required by counties.

The fiscal impact to counties is indeterminate and dependent on the number of projects undertaken by OCCCIF and the amount of matching funds required by the projects.

There is a minimal fiscal impact to DAS and the Oregon State Treasury (OST).

There is no fiscal impact to the Oregon Health Authority.

Reporting requirements of a service provider

There is no fiscal impact to OST, OJD, DAS, Oregon Health Authority, and counties.

Relevant Dates

The measure takes effect on January 1, 2027.