## **REVENUE IMPACT OF PROPOSED LEGISLATION** 83rd Oregon Legislative Assembly 2025 Regular Session Legislative Revenue Office

Bill Number: Revenue Area: Economist: Date: HB 2306 - 6 CFA Mazen Malik 04-06-2025

Only Impacts on Original or Engrossed Versions are Considered Official

## The revenue impact of this measure is indeterminate for the following reasons:

If the bill passes and the Marion County expands the boundaries of the Marion justice of the peace district, it may affect whether prosecutors and law enforcement officers decide to charge violation and misdemeanor offenses in the justice court or the circuit court. When a court orders a defendant to pay a fine, the money collected by the court is disbursed based on, among other things, (1) whether the law enforcement officer who made the initial arrest or citation is employed by the state, county, or other local government, and (2) which type of court (e.g., circuit, justice, municipal) entered the judgment and imposed the fine. If Marion County modifies their district boundaries it could result in some case filings moving from circuit courts to justice courts. The most likely impact would be the transfer of violation case filings from the circuit court to the justice court. If that happens, it will result in potentially reducing revenue transferred to the Criminal Fine Account from the circuit court. Justice Courts CFA transfers are usually 50% less that of the Circuit courts for the same number of violations.

Violation filings in the Marion County Circuit Court have declined consistently over the past few years, from 3,791 in 2020 to 1,206 in 2024. This reduction is likely a result of the pandemic patterns and some structural shifts due to ease and expediency. Whether these patterns will resort to previous trends is unknown, however, Justice courts have not provided case filing or revenue data to the state, despite being required to do so by ORS 1.860. Furthermore, the data was not provided to LRO despite an official request.

The impact over time of a justice court receiving violation cases formerly filed in a circuit court can be seen in an example from Clackamas County. The result of that switch reduced transfer to the CFA by approximately half of the previous amounts coming form the valuation in the area served by both courts.

Permitting Marion County to expand the boundaries of the justice of the peace district to include the city in which a circuit court exists could result in other changes such as the location of the justice court that may impact where civil petitioners and law enforcement officers and prosecutors choose to file their cases. However, it is not known at this time whether Marion County will act under this measure, so the extent that this measure will impact the number of cases currently filed and heard in Marion County Circuit Court is not known.