



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill # HB0030

Title: Allow crime victims compensation fund to retain restitution

Primary Sponsor: Franklin, E.

Status: As Introduced

- Significant Local Gov Impact
 Include in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

Description of Fiscal Impact:

| | <u>FY 2008 Difference</u> | <u>FY 2009 Difference</u> | <u>FY 2010 Difference</u> | <u>FY 2011 Difference</u> |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Expenditures: | | | | |
| General Fund | \$ - | \$ - | \$ - | \$ - |
| State Special Revenue | \$ 200,000 | \$ 200,000 | \$ 200,000 | \$ 200,000 |
| Revenue: | | | | |
| General Fund | \$ (200,000) | \$ (200,000) | \$ (200,000) | \$ (200,000) |
| State Special Revenue | \$ 200,000 | \$ 200,000 | \$ 200,000 | \$ 200,000 |
| Net Impact-General Fund Balance | <u>\$ (200,000)</u> | <u>\$ (200,000)</u> | <u>\$ (200,000)</u> | <u>\$ (200,000)</u> |

FISCAL ANALYSIS

Assumptions:

- Section one establishes a new state special revenue fund. A statutory appropriation is also established due to fluctuating revenues.
- In FY 2006, revenues in the amount of \$174,099 were collected for the general fund.
- “Restitution” in the bill refers to restitution, subrogation and donation receipts.
- It is expected that the Crime Victim Compensation program (CVC) will receive 850 claims and 1,200 recovery payments each year of the next biennium.
- Existing CVC staff will process recovery payments.
- FY 2007 restitution receipts, through December 13, 2006 are \$95,555. It is projected that approximately \$200,000 in restitution will be collected each year of the next biennium.
- The Department of Corrections will still collect restitution from felony offenders.

| | <u>FY 2008</u> <u>Difference</u> | <u>FY 2009</u> <u>Difference</u> | <u>FY 2010</u> <u>Difference</u> | <u>FY 2011</u> <u>Difference</u> |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| <u>Fiscal Impact:</u> | | | | |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 |
| <u>Expenditures:</u> | | | | |
| Benefits | \$ 200,000 | \$ 200,000 | \$ 200,000 | \$ 200,000 |
| <u>Funding of Expenditures:</u> | | | | |
| General Fund (01) | \$ - | \$ - | \$ - | \$ - |
| State Special Revenue (02) | <u>\$ 200,000</u> | <u>\$ 200,000</u> | <u>\$ 200,000</u> | <u>\$ 200,000</u> |
| TOTAL Funding of Exp. | <u><u>\$ 200,000</u></u> | <u><u>\$ 200,000</u></u> | <u><u>\$ 200,000</u></u> | <u><u>\$ 200,000</u></u> |
| <u>Revenues:</u> | | | | |
| General Fund (01) | \$ (200,000) | \$ (200,000) | \$ (200,000) | \$ (200,000) |
| State Special Revenue (02) | \$ 200,000 | \$ 200,000 | \$ 200,000 | \$ 200,000 |
| <u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u> | | | | |
| General Fund (01) | \$ (200,000) | \$ (200,000) | \$ (200,000) | \$ (200,000) |
| State Special Revenue (02) | \$ - | \$ - | \$ - | \$ - |

Technical Note:

1. The Department of Justice currently receives general funds of approximately \$850,000 annually for crime victims compensation. It is unclear if the intent of the legislation is to transfer the requested appropriation in this legislation from that appropriation to the new funding source.

| | | | |
|---------------------------|-------------|-----------------------------------|-------------|
| <i>Sponsor's Initials</i> | <i>Date</i> | <i>Budget Director's Initials</i> | <i>Date</i> |
|---------------------------|-------------|-----------------------------------|-------------|



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Dedication of Revenue 2009 Biennium

- a) **Are there persons or entities that benefit from this dedicated revenue that do not pay? (please explain)**

Yes, the victims of the crimes are not paying. The revenue generated through restitution, subrogation and donation receipts, will be paid to the victims of crime.

- b) **What special information or other advantages exist as a result of using a state special revenue fund that could not be obtained if the revenue were allocated to the general fund?**

Having a dedicated state special revenue fund would guarantee that only the victims would benefit from the collections, as intended.

- c) **Is the source of revenue relevant to current use of the funds and adequate to fund the program activity that is intended? Yes / No (if no, explain)**

Yes.

- d) **Does the need for this state special revenue provision still exist? ___Yes ___No (Explain) Yes.**

- e) **Does the dedicated revenue affect the legislature's ability to scrutinize budgets, control expenditures, or establish priorities for state spending? (Please Explain)**

No, the legislature will be able to track the financial activity in the state special revenue fund.

- f) **Does the dedicated revenue fulfill a continuing, legislatively recognized need? (Please Explain)**

Yes, it is a good start toward compensating the victims of crimes for the injustices brought upon them.

- g) **How does the dedicated revenue provision result in accounting/auditing efficiencies or inefficiencies in your agency? (Please Explain. Also, if the program/activity were general funded, could you adequately account for the program/activity?)**

The revenues will be spent in a statutory appropriation. Revenues segregated into this fund will be easier to track for the purpose intended, crime victim restitution.