

HJ 29 – Study of Victim Services and Funding in Montana

PREPARED FOR THE PUBLIC SAFETY INTERIM BUDGET COMMITTEE

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MONTANA LEGISLATIVE FISCAL DIVISION

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Introduction

HJ 29, a study of victim services and funding in Montana, was approved by the 67th Legislature. The resolution was initially assigned to the Law and Justice Interim Committee, who requested that the Legislative Council (Council) transfer the study to the Section D, Public Safety, Interim Budget Committee (IBC).¹ The Council requested that the IBC perform the study, due to the fiscal nature of the subject. The IBC conducted the victim services and funding study, and this report provides the results of the work of the committee.

The Board of Crime Control (BOCC) has historically allocated grants to provide services to victims of crime. The BOCC has funded those grant services with federal funds provided through the Victims of Crime Act (VOCA) program in the U.S. Department of Justice, Office of Justice Programs, and Office for Victims of Crime.

Victims of Crime Act (VOCA) funds are the largest of the federal funding sources supporting victims of crime. In recent years, VOCA funding has declined, and support for victim services have been reduced.

HJ 29 was intended to explore ways that Montana can support victim services programs and ensure that the programs will be adequately and sustainably funded. The BOCC seeks to provide consistent funding of \$6.5 million per state fiscal year for the provision of these services. Federal funding between FY 2019 and FY 2021 averaged \$8.0 million per year, but in FY 2022 dropped to \$6.4 million, creating funding concerns at the BOCC. The decline of VOCA funding is at the center of this study.

What is VOCA

In the VOCA crime victim assistance grant program, a crime victim is defined as a person who has suffered physical, sexual, financial, or emotional harm resulting from the commission of a crime. VOCA assistance grants support programs that assist victims of crime, including but not limited to victims of assault, robbery, gang violence, intoxicated drivers, fraud, elder abuse, domestic violence, child abuse and neglect, sexual assault, stalking, and survivors of homicide. VOCA federal funding is obtained through non-taxpayer money from the Crime Victims Fund (CVF).²

The objective of victim services programs in Montana is to serve victims of crime and survivors across the state covering any age, gender, and race. This objective is met through the funding of local advocacy agencies and systems-based victim services.

¹ Letter to Council from LJIC re HJ 29, August 16.

² VOCA funding is derived from criminal fines and penalties, gifts, donations, and bequests from private parties, federal deferred prosecution, and non-prosecution agreements, Office for Victims of Crime.

The federal government defines victim services through VOCA as:³

1. Responses to the emotional, psychological, and physical needs of crime victims;
2. Assistance to crime survivors to stabilize their lives after victimization;
3. Assistance to crime survivors in understanding and participating in the criminal justice system; and
4. Restoration of a measure of safety and security to crime survivors, such as boarding up broken windows/doors and replacing or repairing locks.

The State of Montana meets these needs by:⁴

1. Providing information and referrals to victims, sharing how to work through the criminal justice process, and referring victims to specific programs and services;
2. Providing accompaniment to medical and law enforcement needs and advocacy in interpersonal assistance;
3. Providing emotional support services such as crisis intervention and counseling;
4. Providing information and referrals to shelter and housing; and
5. Providing assistance in all aspects of the criminal/civil justice system.

³ VOCA Funded Services Provided in Montana, Montana Board of Crime Control June 2022 as a presentation to the Public Safety IBC.

⁴ VOCA Funded Services Provided in Montana, Montana Board of Crime Control. June 2022 as a presentation to the Public Safety IBC.

Other States Funding of Victim Services

The HJ 29 study was approved to determine if the Montana Legislature would consider providing state funds to ensure a specified level of funding given the volatility of federal VOCA allocations. To that end, the BOCC reached out to other states to learn if state funds were used in support of their victim services. The following summarizes the BOCC findings:⁵

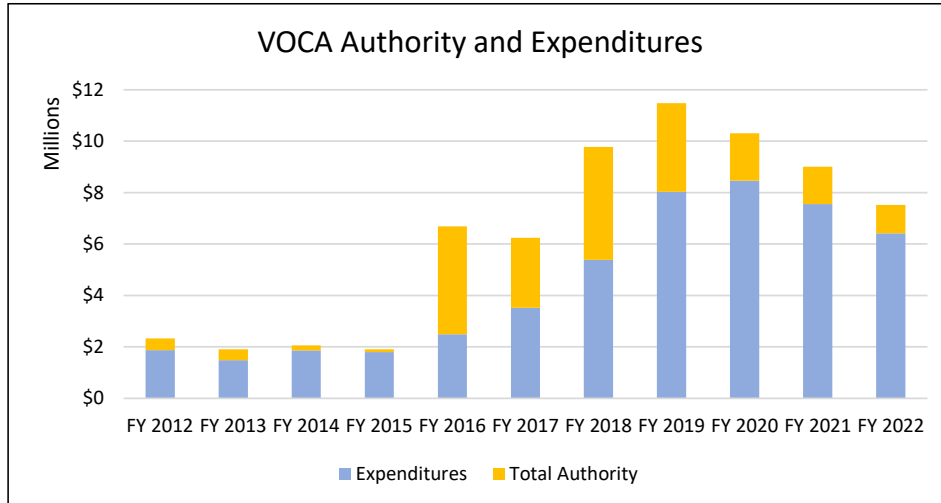
State	Annual Funding (millions)	Fund Type	Fund Source	Specified Uses *Method of Appropriaion	Additional Victim Funding
Ohio	\$18.5	SSR	Driver's license reinstatement fees, fines/fees Other general revenues allocated		State funding supports rape crisis centers, domestic violence programs
Wyoming	\$3.5	GF	By distribution formula to domestic violence/sexual assault shelter service providers	Government victim/witness programs Sexual Assault Nurse Examiners (SANE) programs Court Appointed Special Advocates (CASA) programs Child Advocacy Programs A family justice center	
Michigan	\$2.6 4.35% (assessments & costs)	SSR	- Court assessments and costs	Sexual assault victims Medical forensic and treatment Child advocacy centers	State Compulsive Gaming Prevention Fund - up to \$1.0 million may be distributed annually to the domestic violence and treatment board
Alaska	\$8.6	Unknown	-	*Base appropriation in annual budget with provisions to increase funding if needed	
New York	14.4 (addition to report)	SSR	Mandatory surcharges and crime victim assistance fees assessed on certain offenders	*Funding is provided through appropriation	
Utah	Unknown		-	*Funding is provided through appropriation	
Idaho	\$172,800 (dollars)	SSR	Fees on marriage licenses, divorces, and protection order violations		
Washington	\$17.2	GF	General Fund	\$6.0 million - sexual assault services 1.2 million - to counties to supports legal advocacy for domestic violence victims \$1.0 million - crime victim services centers \$1 million - victims witness programs in prosecutors' offices \$8.0 million - domestic violence shelters and intervention programing.	
GF-General Fund SSR - State Special Revenue					

In the State of Montana, additional victim services are provided through \$127,000/year in state funds specifically dedicated to domestic violence intervention, derived from a \$13 fee on marriage licenses.

⁵ State Victim Services Funding, Board of Crime Control. December 2021 as a presentation to the Public Safety IBC.

Montana Appropriations

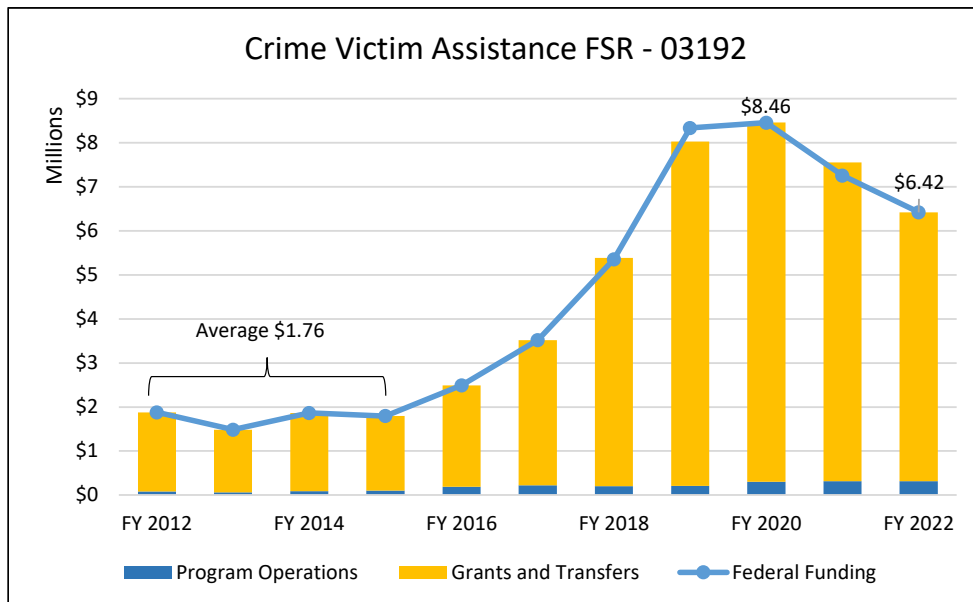
The BOCC supports victim services primarily with federal VOCA funding allocations. Federal funds are appropriated in HB 2, the general appropriations act, as a base appropriation in the Department of Justice, BOCC, budget. Expenditures are limited by the amount of federal VOCA funding the state receives.



In the 2023 biennium, the BOCC allocated \$15.8 million of their federal base authority to the crime victims assistance federal special revenue account, \$7.5 million in FY 2022 and \$8.3 million in FY 2023. Over the past five years (since 2018), appropriations have averaged \$9.6 million per year and in that period, an average of 74.6% of the appropriation has been expended on victim services.

Federal Funding – Crime Victims Assistance Federal Special Revenue Account

The figure below highlights the crime victim assistance federal special revenue account as taken from the state accounting, budgeting, and revenue system. Federal VOCA allocations are deposited into this account. This data differs from data provided by the BOCC during the study because it is based on the state fiscal year rather than the federal fiscal year, from which there are slight differences.



Revenues

As seen in the figure above, VOCA funding was significantly lower between FY 2012 and FY 2015, when the federal government funding averaged \$1.8 million/year. In FY 2016, the federal government started supporting victim services at a higher level. Funding grew through the high point in FY 2020, \$8.5 million, and has declined beginning in FY 2021 to a level of \$6.4 million in FY 2022. Over the past five years (since 2018), the yearly VOCA allocations have averaged \$7.2 million.

In real (inflation-adjusted for CPI) terms, the funding provided in FY 2012 totaling \$1.9 million would equal \$2.4 million in funding. At the highest level of funding, \$8.5 million in FY 2020 would be equal to \$9.6 million in today's dollars. Consequently, not only has federal funding declined, but the funding will also purchase 14.5% (cumulative rate of inflation) fewer services than it did in FY 2020.

Expenditures

The BOCC makes use of all federal VOCA funds each year. Since FY 2012, they have expended an average of 4.3% on administrative costs associated with maintaining the account and 95.7% on grants and transfers for victim services.

Fund Balance

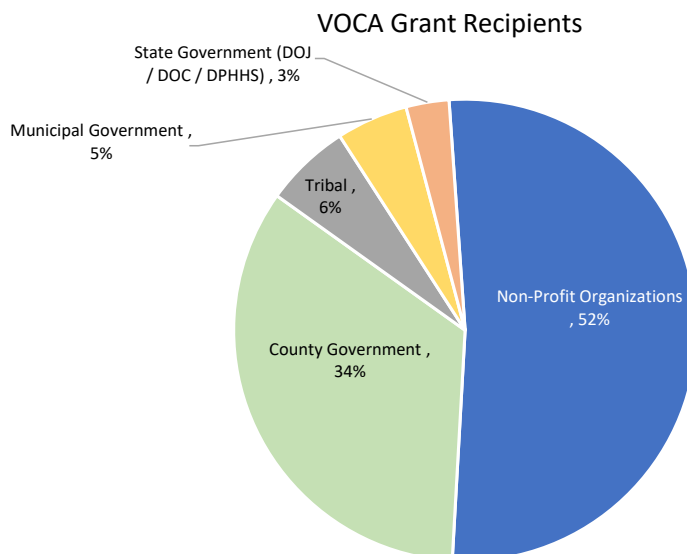
The BOCC manages this account to result in an ending fund balance of \$0/year. Consequently, they have no prior biennial funds to increase the potential expenditures above anticipated revenues in a year.

Reduced VOCA Funding – What it Means

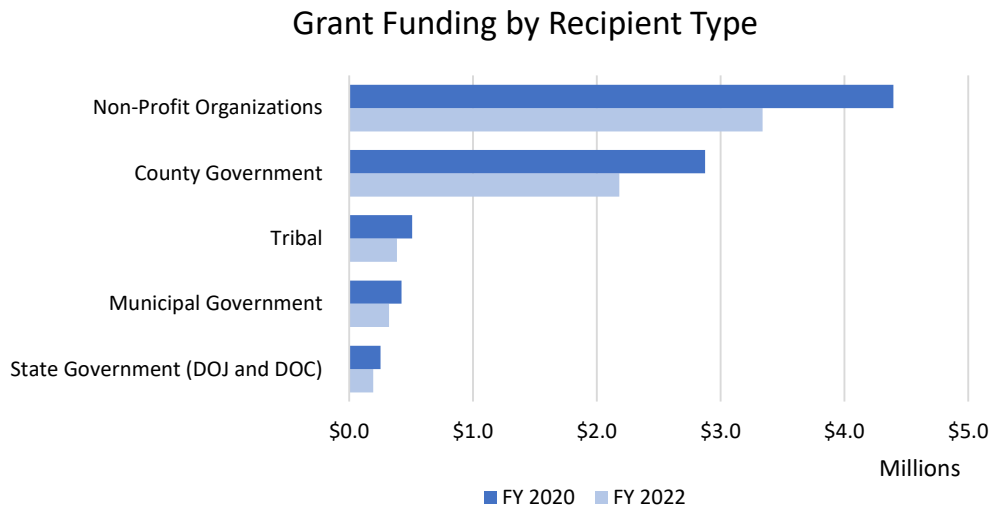
The following analysis provides several different ways of looking at the results of reduced VOCA funding, which are outlined below. In the following analyses, data provided by the BOCC (grant recipients, services provided, and persons served) is based on federal fiscal year observations, while costs are based on state fiscal year revenue observations. Consequently, there could be slight errors in accuracy.

Recipients

From the information provided by the BOCC, VOCA grants are distributed to various entities/recipients, as demonstrated in the figure below (FFY 2016-2021 average).



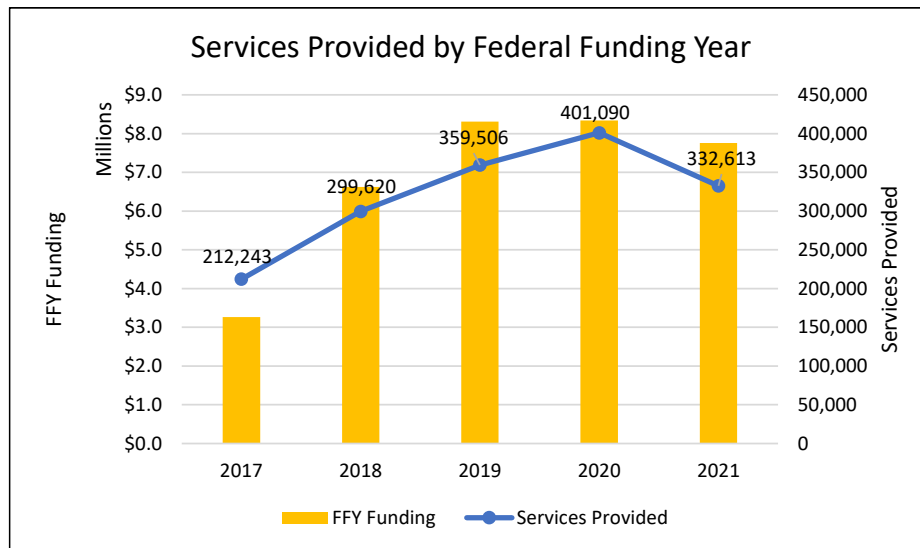
When federal funding is reduced, the recipients shown above must find alternative methods to finance their victim services. The figure below demonstrates the decline in revenues between the height of funding in FY 2020 as compared to the level of funding in FY 2022 by grant recipient type shown above.



In FY 2021 and 2022, VOCA funding declined by 24.1%, or by an average of 12.9% annually. It is expected that each of the recipient types received a similar grant reduction over the period. To retain the level of services provided in FY 2020, the recipients would need to seek funding from other sources that could include other federal grants, community funds, and donations. Future federal VOCA funding is unpredictable creating instability for victim service programs.

Services Provided

The figure below illustrates the number of services provided with VOCA funding. The following chart was created using data provided by the BOCC and is based on federal fiscal year allocations of VOCA funds.

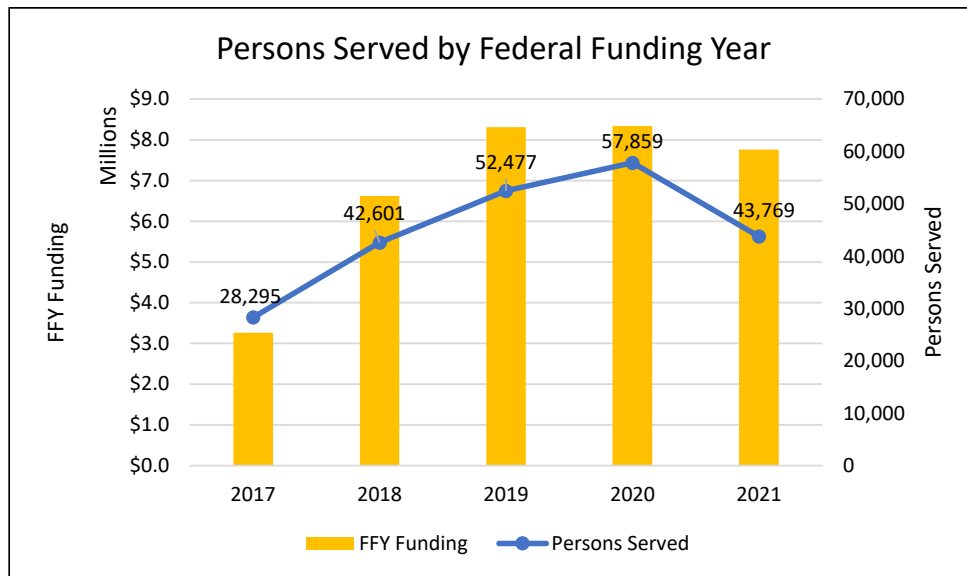


The number of services provided varies with the type of assistance offered. As described at the top of page 2 of this report, services range from information and referrals to legal and housing support. As a result, the number of services can vary significantly. Using an average of services provided between 2018 and 2021, the cost per service

averages \$22. Based on this average, in FY 2022 when federal funding was \$6.4 million VOCA funding could be estimated to provide 288,107 services to victims. That represents a projected decline of 13.4% from the services provided in 2021. With an average cost per service of \$22/service, a reduction of \$1.0 million in VOCA funding would lead to 44,877 fewer services provided.

Persons Served

The figure below illustrates the number of victims served with VOCA funding. The following chart was created using data provided by the BOCC and is based on federal fiscal year allocations of VOCA funds.



The number of victims served also varies with the type of services provided. As a result, the number of victims served can vary significantly. Using an average of victims served between 2018 and 2021, the cost per victim is \$158. Based on this average, in FY 2022 when federal funding was \$6.4 million VOCA funding could be estimated to provide 40,689 victims with services. That represents a projected decline of 7.0% of the victims served in 2021. With an average cost of \$158/person, a reduction of \$1.0 million in VOCA funding would lead to 6,338 fewer victims served.

VOCA Funding Developments

During the 2021-2022 session, Congress passed the VOCA Fix to Sustain the Crime Victims Fund Act of 2021.⁶ The federal legislation adds a new source of revenue for the Crime Victims Fund (CVF) and makes changes to formula grants supported by the fund. Specifically, the bill directs revenues collected from deferred prosecution and non-prosecution agreements to be deposited into the CVS, instead of the general fund of the federal treasury. The main purpose of the new funding was to stabilize funding in the CVS. The future federal VOCA funding is unknown, and BOCC is not expecting that funding increases would negate the need for supplemental state funding.

New funding in the CVF may increase state funding and will waive matching requirements for recipients of crime victim grants. Specific impacts to Montana VOCA funding will become evident in the next few years.

⁶ H.R.1652 — 117th Congress (2021-2022).

Conclusion

As seen in this report, federal VOCA funding has varied over time. At the height of VOCA funding, the BOCC dispersed \$8.5 million, but the funding declined in FY 2021 and FY 2022, where the funding was \$6.4 million. The BOCC demonstrated that when VOCA funding declines grant recipients receive fewer dollars, fewer services are provided, and fewer victims are served.

The BOCC has determined that the adequate level of victim services funding is \$6.5 million per state fiscal year, which approximates the average amount of revenue and spending between FY 2017 and 2021. This amount is less than what was provided between FY 2019 through FY 2021 but slightly more than provided in FY 2022. Another indicator of adequate funding to be considered is the level of budget the BOCC has allocated to VOCA. This can be done by utilizing the five-year (FY 2018 through FY 2022) average of \$9.6 million/FY of the HB 2 federal budget authority. Another indicator of adequate funding may be the five-year average of the BOCC's federal VOCA allocation, \$7.2 million; this amount includes periods when federal VOCA funding was higher. However, when determining an adequate level of funding for victims' services, adjustments for inflation should be a consideration.

Legislative Decisions / Options / Paths Forward

Three basic but unanswered questions remain for legislative consideration prior to making a funding recommendation in HJ 29. The IBC may consider taking action on these questions to define the recommended level of funding:

1. Should Montana support victim services with state funds,
2. What is the adequate level of funding for victim services, and
3. What type of funding could be used to provide state support for victim services?

The following is an initial list of considerations for the IBC in providing victim services funding that is more consistent and sustainable. Note, the IBC does not have the authority to make any substantial changes including the amendments to statute (request for legislation), but instead can only recommend such changes to a standing/administrative committee. Furthermore, the IBC is not required to take any formal action related to this study. This list may not include all the legislative options related to the question and IBC members are encouraged to bring other ideas to the table.

1. Adopt a (non-binding) commitment to support victim services funding in HB 2 with additional general fund/state special revenue (SSR) support when needed.
2. Recommend legislation for LFC consideration, to provide dedicated SSR collections from subject-related fines and fees in support of victim services.
3. Recommend legislation for LFC consideration, to amend statute and provide a specified level of funding (including inflation adjustments) for victim services and provide a conditional transfer from a SSR account when needed to ensure the level of funding is consistent.
4. Recommend legislation for LFC consideration, to provide a statutory/statutory amendment of a fixed amount of general fund.
5. Make no recommendations.