

- SUBJECT:** Eliminating 20 percent reserve for crime victims compensation fund
- COMMITTEE:** Criminal Jurisprudence — favorable, without amendment
- VOTE:** 8 ayes — Keel, Pena, Denny, Escobar, Hodge, P. Moreno, Raymond, Reyna
0 nays
1 absent — Riddle
- WITNESSES:** For — Verna Lee Carr, Sebastian Sarate, People Against Violent Crime; Karen Housewright, MADD
Against — None
On — Herman Millholland, Office of the Attorney General; Hannah Riddering
- BACKGROUND:** Under the Crime Victims' Compensation Act, the Office of the Attorney General (OAG) administers the Crime Victims' Compensation (CVC) Fund, which awards compensation to victims of crimes or families of victims who have sustained monetary losses as a result of personal injuries or deaths. Money in the fund comes primarily from court costs and fees imposed on criminal offenders.
- In 1997, the Legislature enacted SB 987 by Moncrief, allowing state agencies that deliver or fund victim-related services to receive money from the fund. Money in the fund now goes to agencies that provide victim-related services in addition to individual victims. Since the Legislature began using grants from the CVC fund for victims' assistance organizations and state agencies, the money in the fund, once a large surplus, has nearly been depleted.
- Under Code of Criminal Procedure, art. 56.541(b), before each legislative session the OAG must calculate the amount of excess money in the fund that the Legislature may appropriate to programs delivering or funding victim-related services. This excess money represents the amount

available in the fund after the needed money has been set aside for the Crime Victims Compensation Program and the Crime Victims Institute.

The statute sets out the method by which the OAG is to make this calculation. First, the OAG is to multiply the amount of money in the fund obligated in the next biennium by 120 percent. The result should then be subtracted from the anticipated available funds. To determine the amount of money the OAG expects to be available, the attorney general is to add (a) the amount anticipated to be credited to the crime fund in the next biennium (other than deposits of gifts, grants, donations, and federal money) and (b) the amount unexpended at the end of the fiscal year that is available for the next biennium.

Currently, the amount appropriated for victim-related services for fiscal 2006-07 exceeds the amount certified in the Fund for these services.

DIGEST:

HB 1489 would amend Code of Criminal Procedure, art. 56.541(b), so that the OAG no longer would add 20 percent to the estimated amount needed for the crime victims' compensation fund when calculating the amount of excess money available in the fund.

Instead of multiplying the expected amount needed by 120 percent, the actual amount needed for the fund would be used in the equation. This number then would be subtracted from the anticipated available funds.

The bill would take effect September 1, 2005.

**SUPPORTERS
SAY:**

HB 1489 would free up otherwise unused funds so money would be available for agencies that provide victim-related services.

Because of growing needs, the CVC fund faces insolvency. Without increasing revenues, the CVC fund will not have enough money to cover crime victim compensation payments and victim-related services and assistance programs in the future. Eliminating the 20 percent buffer would free up otherwise unused money, totaling about \$28.3 million in fiscal 2006-07, for needed financial assistance to crime victims' services organizations. This money would enable the Legislature to appropriate funds for victim-related services for this and future legislative sessions.

It is unnecessary to set aside 20 percent of the money in the fund when many crime-victims services are badly in need of funding. Under current

law, the OAG already sets aside \$10 million from the fund as a catastrophic contingency.

OPPONENTS
SAY:

The 20 percent currently set aside provides a needed buffer to ensure that the Legislature does not appropriate too much money from the fund. By eliminating the 20 percent buffer, HB 1489 would remove a source of security for the fund.

The original intent of the CVC fund was to provide a source of funding for individual victims, not agencies or organizations. It is because organizations and agencies began to benefit from the fund that the fund is nearly insolvent. If the money in the fund were once again reserved solely for direct compensation to victims of crime, funding likely would not be a problem.

NOTES:

According to the fiscal note, elimination of the 120 percent multiplier would make available for victim-related services or assistance programs, assuming sufficient balances and revenue are available, \$28.4 million in fiscal 2006-07, \$36.3 million in fiscal 2008-09, and \$41.2 million in fiscal 2010-11.

The companion bill, SB 733 by Williams, was left pending in the Senate Finance Committee.