

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 24, 2007

TO: Honorable John Whitmire, Chair, Senate Committee on Criminal Justice

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB1616 by Averitt (Relating to restitution and other assistance provided to victims of crime and to related claimants.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1616, As Introduced: an impact of \$0 through the biennium ending August 31, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	\$0
2009	\$0
2010	\$0
2011	\$0
2012	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>CRIME VICTIMS COMP ACCT</i> 469	Probable Revenue Gain/(Loss) from <i>CRIME VICTIMS AUX ACCT</i> 494
2008	\$3,454,714	(\$3,454,714)
2009	\$2,973,301	(\$2,973,301)
2010	\$2,616,991	(\$2,616,991)
2011	\$2,245,859	(\$2,245,859)
2012	\$1,967,509	(\$1,967,509)

The fiscal impact includes a transfer of funds from the Crime Victims' Auxiliary Fund (494) to the Crime Victims' Compensation (CVC) Fund (469) for compensation payments.

Fiscal Analysis

This bill would implement recommendations in the *LBB Government Effectiveness and Efficiency Report* entitled "Strengthen the Solvency of the Crime Victims' Compensation Fund." The goal of these recommendations is to improve the solvency of the fund by increasing revenues, improved accuracy in reporting of restitution information, and the creation of an end of year reserve for compensation payments.

SECTION 1 amends the Code of Criminal Procedure, Article 42.037 to require community supervision and corrections departments (CSCDs), parole offices, and parole panels to report

quarterly to the Texas Department of Criminal Justice (TDCJ) information on restitution payments by a person under the supervision of these entities. It also requires the reporting of any restitution ordered by the parole panel. It requires TDCJ to publish an annual report on this information, which may be done in conjunction with other agencies.

SECTION 2 amends the Code of Criminal Procedure § 56.54 to create an emergency reserve for compensation payments if a the Crime Victims' Compensation (CVC) Fund is projected to become insolvent during the succeeding fiscal year. This reserve would be equal to 10 percent of the succeeding fiscal year's projected compensation payments.

Section 2 also allows the Attorney General to transfer funds from the Crime Victims' Compensation Auxiliary Fund to the CVC Fund for compensation payments. If the balance of the Crime Victims' Compensation Auxiliary Fund is more than \$5.0 million, from funds above the \$5.0 million an amount equal to 25 percent or less of the total fund balance at the end of a fiscal year may be transferred from the Auxiliary Fund to the CVC Fund.

SECTION 3 amends the Code of Criminal Procedure § 56.541 to include a statement about the emergency fund reserve for compensation payments described in Section 2 of the bill for the purposes of CVC Fund excess funds certification described in this section of the code. Section 3 also prevents the legislature from appropriating this emergency reserve.

SECTION 4 amends the Government Code § 71.0353 to require the reporting of restitution ordered information to the Office of Court Administration (OCA) by each local court on a quarterly basis. The OCA will be required to submit an annual report on restitution information collected.

SECTION 5 amends the Human Resources Code § 61.0411 to require the reporting of restitution payment information to the Texas Youth Commission (TYC) by each local juvenile parole office on a quarterly basis. The TYC will be required to submit an annual report on restitution information collected.

SECTION 6 amends the Human Resources Code § 141.0422 to require the reporting of restitution payment information to the Juvenile Probation Commission (JPC) by each local juvenile probation office on a quarterly basis. The JPC will be required to submit an annual report on restitution information collected.

SECTION 7 makes changes or additions by this bill to the Code of Criminal Procedure § 42.037 (g), the Government Code § 71.0353, and the Human Resources Code § 61.0411 and 141.0422 applicable only to a restitution payment made or restitution ordered on or after the effective date of the act.

SECTION 8 makes the act effective September 1, 2007.

Methodology

All state agency responses indicated no significant fiscal impact to the state in order to fulfill the duties outlined by the bill. These agencies include the Comptroller, the Juvenile Probation Commission (JPC), the Office of Court Administration (OCA), the Office of the Attorney General (OAG), the Texas Department of Criminal Justice (TDCJ), and the Texas Youth Commission (TYC). The TYC indicated a need for three additional clerks in order to collect and report restitution information with a cost of \$86,694 in fiscal year 2008 and \$83,094 in fiscal year 2009 and subsequent years. This amount should be able to be absorbed within existing resources.

The LBB estimates a positive impact to the CVC Fund from the CVC Auxiliary Fund transfer, equal to 25 percent of the end of fiscal year balance. These transfer amounts are based on the following information: the beginning cash balance for fiscal year 2007 from the 2006 Annual Cash Report; estimated revenues from the Comptroller's Biennial Revenue Estimate (BRE) from January 2007 (\$1,121,000 per fiscal year); interest deposits from the BRE for fiscal years 2007-2009; interest deposits for 2010-2012 averaged from deposits for fiscal years 2000-2006; and deductions for claims and judgments based on prior year payouts (\$18,251 per fiscal year).

The OAG does not anticipate that the 10 percent reserve under Section 2 of the bill would have any impact during the fiscal year 2008-2012 due to the certification process.

Local Government Impact

No significant fiscal implication to units of local government is anticipated. The Juvenile Probation Commission (JPC) indicated there may be some programming and revision cost for the four non-caseworker counties (Bexar, Denton, Harris, and Tarrant) at approximately \$50,000 each for a total of \$200,000. The JPC also indicates some possible training and audit costs totaling \$135,000 for 169 departments. This estimate includes \$85,000 in training for all departments and \$50,700 in audit costs (\$300 per department). Total estimate cost for all CSCDs is \$335,700.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 665 Juvenile Probation Commission, 694 Youth Commission, 696 Department of Criminal Justice

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