

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 3, 2021

TO: Honorable Greg Bonnen, Chair, House Committee on Appropriations

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3185 by Krause (Relating to crime victims' compensation.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3185, As Introduced : an impact of \$0 through the biennium ending August 31, 2023. The bill would have a negative two-year impact of (\$2,182,415) to General Revenue - Dedicated Compensation to Victims of Crime Account No. 0469. Balances and revenues to Account 0469 are estimated to be insufficient to cover the costs to implement the bill. Additionally, Article 56B.454 of the Code of Criminal Procedure states that General Revenue may not be used for compensation to victims of crime payments.

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:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	\$0
2023	\$0
2024	\$0
2025	\$0
2026	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from Crime Victims Comp Acct 469</i>	<i>Change in Number of State Employees from FY 2021</i>
2022	(\$771,843)	5.0
2023	(\$1,410,572)	5.0
2024	(\$1,769,162)	5.0
2025	(\$1,769,162)	5.0
2026	(\$1,769,162)	5.0

The bill would amend the Code of Criminal Procedure regarding certain expenses under the Crime Victims' Compensation Act.

The bill would amend Article 56B.003(10), Code of Criminal Procedure by including Article 56B.106(c) and (c-1) to reasonable and necessary costs for relocation and housing assistance payments.

The bill would amend 56B.106, Code of Criminal Procedure by amending subsection (c), adding emergency or

temporary lodging of no more than seven nights, not to exceed \$150 per night. Subsections (c-1) and (c-2) are also added. Subsection (c-1) allows victims or claimants who are immediate family or household members a one-time assistance payment for relocation and house rental expenses that are necessary to protect the health or safety of the victim, a dependent of the victim, or an immediate family member or household member of the victim. Subsection (c-2) provides documentation requirements for relocation expenses may be necessary to expedite payment.

The bill would amend Article 56B.107, Code of Criminal Procedure, by adding Subsection (c) which states that the Office of the Attorney General may not deny or reduce an award based substantially on the interactions of the claimant or victim with law enforcement at the crime scene or hospital.

Fiscal Analysis

The Office of the Attorney General projects that the bill would result in an increase in participation in the Crime Victims' Compensation Program which would result in additional costs of \$5,378,845 in CVC payments over five years.

The Office of the Attorney General indicates that 5 additional FTEs (\$1,715,965) would be needed to address the provisions of the bill, assuming increased participation in the Crime Victims' Compensation Program.

Additionally, it is estimated that \$140,700 would be needed to upgrade the Crime Victims Case Management System.

Note that the Code of Criminal Procedure, Article 56B.454 states the Office of the Attorney General may not make compensation payments that exceed the amount of money available in the Compensation to Victims of Crime Fund (Fund 0469) and states general revenue may not be used for compensation to victims of crime payments. The forecasted cash balances and revenues in Fund 0469 are insufficient to support the additional costs to the Crime Victims Services program that would arise as a result of passage of this bill.

The Comptroller's Office indicates that no fiscal impact is anticipated from the bill.

Methodology

Under Article 56B.106(c)(1)(2), Code of Criminal Procedure, rent and relocation expenses are limited to \$1,800 and \$2,000 respectively. In FY 2019, the Crime Victims' Compensation (CVC) Program made relocation payments on 1,690 unique claims.

Under current law, Texas may pay relocation on a limited number of crime types, which includes victims of family violence, sexual assault in their residence, stalking, human trafficking, and child victims of a murder attempt in their residence. It is expected that the bill would expand the availability of relocation to any crime type where the victim of family needs to move for health and safety reasons. This would potentially make any approved application eligible for relocation if health and safety is a concern.

The Office of the Attorney General estimates that CVC would receive 30% more claims requesting relocation each year. This would equal 507 more claims per year requesting relocation at an average payment of \$2,342, or \$1,187,196 more per year in relocation costs.

The bill would also include limited transitional housing at up to \$150 per night for up to 7 days. Currently, CVC only pays for lodging and per diem for out of state moves as established by rule. The bill also includes language that would expand the expenses for out-of-state moves to include expenses for transportation, lodging and meals beyond the 7 days. This will expand the eligible pool to all individuals receiving relocation and increase the out-of-state relocation expenses. The Office of the Attorney General estimates that of the claims receiving a relocation payment, 25% will request at least 3 nights of lodging at \$150 per night for transitional housing. The estimate provided by the Office of the Attorney General assumes that there will be a staggered increases in payments, with 25% of the new payments occurring within the first year of implementation, 75% within two years, and 100% thereafter.

It is estimated that five additional FTEs would be needed to fulfill the provisions of the bill. This includes one Administrative Assistant II FTE (\$35,016) for application and mail processing, two Reimbursement Officer II FTEs (\$91,546) for the additional claims processing, one Accountant I FTE (\$39,640) for additional payment processing, and one Legal Assistant I FTE (\$45,821) for an expected increase in appeals. The FTE costs for this bill are based on the FTE allocation for the current CVC claims workload. In addition to salaries and wages, personnel costs include travel (\$10,500), other operating expenses (\$23,500), equipment (\$21,000), employee retirement (\$68,950), and payroll contributions (\$3,180).

Technology

Technology costs include a one-time cost of \$57,450 for application development to update the Crime Victims Case Management System, computers, software, printer, and telecom/voicemail in FY 2022 and a recurring annual cost in each FY 2022-26 of \$16,650 for data center services and voice line.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 304 Comptroller of Public Accounts

LBB Staff: JMc, LCO, HGR, SD, DKN