

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 12, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2877 by King, Tracy O. (Relating to crime victims' compensation.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2877, As Engrossed : an impact of \$0 through the biennium ending August 31, 2025. The bill would have a negative two-year impact of \$4,084,637 to General Revenue - Dedicated Compensation to Victims of Crime Account No. 0469. Additional indeterminate costs would result from changes in eligibility requirements for enrolled students to receive claim payments for counseling services.

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>
2024	\$0
2025	\$0
2026	\$0
2027	\$0
2028	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from Crime Victims Comp Acct</i>	<i>Change in Number of State Employees from FY 2023</i>
	469	
2024	(\$2,048,990)	3.0
2025	(\$2,035,647)	3.0
2026	(\$2,106,287)	3.0
2027	(\$2,177,543)	3.0
2028	(\$2,253,250)	3.0

Fiscal Analysis

The bill would amend the Code of Criminal Procedure and the Government Code relating to Crime Victims' Compensation (CVC).

The bill would repeal the 10-day workday limit for bereavement leave.

The bill would establish that pecuniary losses are limited to psychiatric care and counseling for a child who is enrolled in a public or private primary or secondary school where criminally injurious conduct occurs, and as a

result of the criminally injurious conduct the governor has declared a disaster. Additionally, the bill limits the immediate family or household member of this specific victim to the necessary expenses of traveling to and attending the funeral of the victim.

The bill would authorize the Office of the Attorney General (OAG) to establish by rule the emergency award process and eliminate the requirement that a final award must be made.

The bill would authorize that the rules established by the OAG may provide that the emergency award be deducted from the final award repaid or recovered from the victim or claimant to the extent the emergency award exceeds the final award. If compensation is awarded under Article 56B.103 or 56B.104, the name of the victim or claimant is not releasable as public information.

The bill would repeal Article 56B.102(b); and 56B.106(c) and (d).

- Article 56B.102(b): limiting an emergency award to \$1,500
- Article 56B.106(c): limits the assistance to qualifying victims to \$2,000 for relocation assistance and \$1,800 for housing rental expenses;
- Article 56B.106(d): limits the bereavement leave to immediate family or household members or a deceased victim to \$1,000.

The bill would repeal the limits under Article 56B.106(c) for reasonable and necessary relocation and rental assistance. Additionally, the bill repeals the limit placed on compensation that a sexual assault and attempted murder of a child must occur in the victim's place of residence.

The bill would remove the name of the crime victim from being public information.

Chapter 56B, Code of Criminal Procedure, as amended by this Act, would apply only to compensation for criminally injurious conduct occurring on or after the effective date of this Act. Compensation for criminally injurious conduct occurring before the effective date of this Act is governed by the law in effect on the date the conduct occurred, and the former law is continued in effect for that purpose. For purposes of this section, criminally injurious conduct occurred before the effective date of this Act if any element of the offense underlying the conduct occurred before that date.

Methodology

This analysis is based on the CVC Program average of five fiscal years, 2018-2022. This analysis also includes a 3% yearly increase in applications, which is consistent with Texas' average population growth.

Rent and Relocation

Under Article 56B.106(c), Code of Criminal Procedure, rent and relocation assistance are available to victims of sexual assault or attempted murder of a child only if the crime occurred in the victim's residence. The bill would expand the availability of relocation to any victim of a sexual assault or attempted murder of a child, regardless of the crime location.

The average number of applications for paid rent and relocation from the CVC Program for the past five fiscal years is 3,629. The average payment for rent and relocation in 2022 was \$1,061.53 for relocation expenses and \$1,668.36 for rental assistance. If the law is changed to remove the residence requirement for these two types of victims, the OAG estimates that 15% or higher number of claims requesting relocation each year. Using this estimate, that would equal 544 more claims per year requesting relocation at an average payment of \$2,729.89 or \$1,485,060.16 more per year in relocation costs.

The OAG estimates that the projected number of additional relocation applications will result in a two-year increase of \$3,012,799 and a five-year increase of \$7,880,192.

Bereavement Leave

Under current Article 56B.106(d), Code of Criminal Procedure, lost wages for bereavement leave are limited to \$1,000 and not more than 10 days for an immediate family or household member of the deceased victim. The bill would remove both limits.

According to the OAG, during fiscal year 2018-2022, 246 applications per year were received resulting in an

average payment of \$982.38 per application.

The OAG estimates a 3% increase in applications each year and a 5% increase in the average amount paid because of the removal of the \$1,000/10 day limit. This results in an estimated increase of \$1,031.50 per claimant in fiscal year 2024. The total estimated costs are itemized below.

The OAG estimates that the projected number of additional bereavement loss payments will result in a two-year increase of \$543,651 and a five-year increase of \$1,537,660.

Emergency Awards and Counseling

The fiscal implications of the bill on emergency awards and counseling services cannot be estimated at this time. Costs for counseling services cannot be determined due the unknown frequency of criminally injurious conduct at schools, for which a disaster declaration would be provided. Costs for emergency awards cannot be determined due not enough data being available to determine the increase in expected payments.

Administration

The OAG anticipates that one Accountant I, one Administrative Assistant III, and one Reimbursement Officer III would be needed to handle the increased workload resulting from the provisions of the bill. Additionally, the OAG anticipates one-time costs of \$50,000 for vendor hours to update the claims management system (CVMS) workflow used for crime victim applications. The total estimated costs are itemized below.

	FY2024	FY2025	FY2026	FY2027	FY2028
Relocation	\$1,485,060.16	\$1,527,738.40	\$1,575,146.53	\$1,621,554.53	\$1,670,692.68
Bereavement Loss of Earnings	\$260,969.25	\$282,682.30	\$305,914.24	\$330,762.66	\$357,331.14
FTE Cost	\$252,961.00	\$225,226.00	\$225,226.00	\$225,226.00	\$225,226.00
System Costs	\$50,000.00				
Total Increase Per Year	\$2,048,990.41	\$2,035,646.70	\$2,106,286.77	\$2,177,543.19	\$2,253,249.82

The cost for the five-year period is \$10,621,717. FTE costs include salary, general operating, travel, capital equipment (technology related and furniture), and benefits.

It is anticipated that the Office of Court Administration and Office of the Governor could absorb any additional work resulting from the provisions of the bill within current resources.

Technology

The technology impact includes one-time costs of \$63,875 in fiscal year 2024 and a recurring annual cost of \$10,989 in each FY 2024-2028 thereafter. One-time costs include system costs, standard laptop, software, printer, and telecom/voicemail box. Annual recurring charges cover data center services and voice line system.

Local Government Impact

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

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 300 Trusteed Programs Within the Office of the Governor, 302 Office of the Attorney General

LBB Staff: JMc, DDeI, NPe, LCO, HGR, NV