

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**April 9, 2023**

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

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: SB49** by Zaffirini (Relating to crime victims' compensation.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB49, Committee Report 1st House, Substituted : an impact of \$0 through the biennium ending August 31, 2025. The bill would have a negative two-year impact of (\$3,047,380) to General Revenue - Dedicated Compensation to Victims of Crime Account No. 0469.

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 469</i>	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$1,316,230)	4.0
2025	(\$1,731,150)	4.0
2026	(\$2,249,862)	4.0
2027	(\$2,782,655)	4.0
2028	(\$3,331,325)	4.0

**Fiscal Analysis**

The bill amends the Code of Criminal Procedures regarding certain expenses under the Crime Victims' Compensation Act.

The bill removes the need that a family member be an "immediate" family member as a claimant for crime victims' compensation.

The bill would expand the definition of "family violence" as described Section 71.004 of the Family Code to include abuse by a member of a family or household towards a child of the family or household and dating violence.

The bill would amend the definition of "household member" by removing consanguinity or affinity to the victim, which limits how a household member may be related to the victim.

The bill removes the 10-day limit for bereavement leave for a family member or household member of a deceased victim. The bill expands who is eligible for reasonable and necessary costs for relocation and house rental assistance payments.

The bill adds a definition for "family member" to mean an individual who is related to a victim by consanguinity or affinity.

The bill would remove limits for relocation, housing rental expenses and adds expenses for temporary or emergency lodging. The bill allows a victim, dependent of a victim, or a family member or household member of a victim compensation for relocation and housing 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.

The bill would require the Office of the Attorney General to award no more than one victims and one claimant, or two claimants if the victims is deceased, regarding the same criminally injurious conduct unless the OAG determines it is necessary based on the extraordinary health or safety needs of the victim or claimants. Also, the bill would limit the amount that any victim or claimant may receive to \$5,000 in the aggregate for relocation expenses and housing rental expenses.

The bill would limit the amount of an award a family member or household member may receive for bereavement leave to \$3,333 in lost wages.

The change in law made by this bill would only apply to compensation for criminal injurious conduct occurring on or after the effective date of this bill. Compensation for criminally injurious conduct occurring before the effective date of this bill 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 bill if any element of the offense underlying the conduct occurred before that date.

## **Methodology**

Under current law, the term "household member" only includes persons who reside in the same permanent household as the victim and are related to a victim by consanguinity or affinity. This term is used in the definition of a claimant and determines who may qualify for certain types of compensation through the Crime Victims' Compensation (CVC) Program. The bill would expand the definition of household member to include any individual residing in the same permanent household as the victim at the time of the criminally injurious conduct. This new population would include unrelated roommates or live in dating partners. These individuals are currently ineligible for assistance such as mental health care as a result of the crime against the victim.

The OAG anticipates that this new category of claimants would primarily request compensation for mental health care, loss of earnings, and travel expenses to attend certain appointments and proceedings. The change in the definition is unlikely to increase applications but will marginally increase the number of persons eligible for compensation under a victim's application. It is estimated that the number of claimants will increase by 10% from the current number of valid claimants.

The analysis below projects a 5% increase in eligible claimant applications for mental health care, loss of earnings, travel, and relocation expenses.

### **Mental Health Care**

According to the OAG, during fiscal years 2018 - 2022, the CVC Program received and processed mental health care payments for claimants on an average of 1,751 applications per year. The average payment for mental health care for claimants was \$2,341 per application. The projected increase in costs associated with claimant payments for mental healthcare is \$206,008.

There is also an additional cost to process the mental health bills via the Crime Victim Services Division (CVSD) cost containment vendor (CCV) who applies the medical fee guidelines. The project increase in costs associated with medical bills is \$827.

### Loss of Earnings

According to the OAG, during fiscal years 2018-2022, the CVC Program received and processed loss of earnings reimbursements to claimants on an average of 252 applications per year. The average reimbursement for loss of earnings for claimants was \$1,416.71 per application. The projected increase in costs associated with claimant payments for loss of earnings is \$18,417.

For bereavement loss of earnings, 246 applications per year were received resulting in an average payment of \$982.38 per application. The projected increase in costs associated with claimant payments for bereavement loss of earnings is \$11,789.

### Travel

According to the OAG, during fiscal years 2018-2022, the CVC Program received and processed travel reimbursements to claimants on an average of 1,021 applications per year. The average payment for travel reimbursements to claimants for their own travel was \$1,191 per application. The projected increase in costs associated with claimant payments for travel reimbursements is \$60,741.

### Relocation

According to the OAG, in fiscal year 2022, the CVC Program made rent and relocation payments on 2,730 applications. The average number of applications paid rent or relocation for the past five fiscal years is 3,629.

The bill expands the availability of relocation to two persons per application, the victim and one claimant or two claimants if the victim is deceased. It also allows for approval of more than two persons being reimbursed for relocation expenses and rental assistance if it is determined that additional persons need to move for health and safety reasons. The bill adds the requirement that the family or household member must have resided with the victim for not less than two years. The bill requires the OAG to award rent and relocation if the expenses are necessary to protect the health and safety of the victim, dependent, or family or household member.

The bill adds a new limit for total rent and relocation providing that a "claimant may not receive more than \$5,000 in the aggregate for relocation expenses and housing rental expenses." It is assumed that the OAG will adopt rules that set forth a limit of no less than \$2,000 for relocation expenses and \$1,800 for housing rental expenses. Using the 5% estimate, that would equal 363 more applications requesting relocation at an average payment of \$2,729.89. The projected increase in costs associated with claimant payments for relocation costs is \$496,840.

In addition, the bill includes temporary or emergency lodging. It is estimated that of the applications receiving a relocation payment, 5% of relocation applications will request this. For the purposes of this fiscal note, 7 nights of lodging is estimated at the current rate established by the Texas Comptroller (\$98/night) per night. This adds \$131,026 to relocation costs.

It is anticipated that one Accountant I, one Administrative Assistant III, one Legal Assistant II, and one Reimbursement Officer III would be needed to handle the increased workload resulting from the provisions of the bill. Anticipated one-time costs include \$50,000 for vendor hours to update the claims management system workflow used for crime victim applications. The total estimated costs are itemized below.

	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Mental Health Care</b>	\$206,008.00	\$334,763.00	\$468,200.00	\$606,319.00	\$746,779.00
<b>CCV Costs</b>	\$827.20	\$1,344.20	\$1,880.00	\$2,434.60	\$2,998.60
<b>Loss of Earnings</b>	\$18,417.23	\$29,750.91	\$41,084.59	\$52,418.27	\$65,168.66
<b>Bereavement</b>	\$11,788.56	\$19,647.60	\$27,506.64	\$35,365.68	\$43,224.72
<b>Travel</b>	\$60,741.00	\$98,853.00	\$138,156.00	\$178,650.00	\$220,335.00
<b>Relocation</b>	\$627,865.98	\$943,189.44	\$1,269,432.46	\$1,603,865.15	\$1,949,217.40
<b>System Costs</b>	\$50,000.00	-	-	-	-
<b>FTE Costs</b>	\$340,582.00	\$303,602.00	\$303,602.00	\$303,602.00	\$303,602.00
<b>Total Per year</b>	<b>\$1,316,229.97</b>	<b>\$1,731,150.15</b>	<b>\$2,249,861.69</b>	<b>\$2,782,654.70</b>	<b>\$3,331,325.38</b>

### Technology

The technology impact of the bill includes one-time costs of \$68,500 in fiscal year 2024 and a recurring annual cost of \$14,652 in each fiscal year 2024-2028 thereafter. One-time costs include system costs, standard laptops, software, printer, and telecom/voicemail box. Annual recurring charges cover 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, DDel, LCO, HGR, NV