

Department of Planning and Budget

2018 Fiscal Impact Statement

1. Bill Number: SB562-ER

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron: Obenshain

3. Committee: Conference

4. Title: Restitution; collection; Criminal Injuries Compensation Fund

5. Summary: Adds to the duties of the Workers' Compensation Commission (the Commission) in its role as administrator of the Criminal Injuries Compensation Fund (Fund) the obligation to (i) identify and locate victims for whom restitution owed to such victims has been deposited into the Fund and (ii) collect and disburse such unclaimed restitution to such victims. The bill directs the Commission to include in its annual report information on all unclaimed restitution that it disburses. The bill provides that clerks shall deposit into the Fund by November 1 of each year restitution collected for victims who can no longer be identified or located, or state that there is no such restitution to be deposited. The bill requires that clerks record the receipt of restitution payments in the automated information system operated by the Supreme Court or a system established and maintained by a circuit court. The bill also provides that the restitution form used by the court shall include the victim's name and contact information, including home address, telephone number, and email address. The bill also requires the victim's contact information to remain confidential, and the clerk shall not disclose such confidential information to any person, except as provided in this legislation or otherwise required by law.

6. Budget Amendment Necessary: Yes – Virginia Workers' Compensation Commission (Item 490 of SB 30).

7. Fiscal Impact Estimates: Preliminary – see Item 8.

Expenditure Impact:

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Positions</i> | <i>Fund</i> |
|--------------------|----------------|------------------|-------------|
| 2018 | \$0 | 0.00 | - |
| 2019 | \$173,960 | 2.00 | NGF |
| 2020 | \$148,160 | 2.00 | NGF |
| 2021 | \$148,160 | 2.00 | NGF |
| 2022 | \$148,160 | 2.00 | NGF |
| 2023 | \$148,160 | 2.00). | NGF |
| 2024 | \$148,160 | 2.00 | NGF |

- 8. Fiscal Implications** Based on the number of unclaimed restitution payments deposited into the Criminal Injuries Compensation Fund (CICF), the Virginia Workers' Compensation Commission (VWC) would need to hire two additional staff to conduct location and identification searches of victims for whom restitution owed to has been deposited into the CICF. The estimated base salary for each position is \$40,000 and the total cost for each VWC position, including benefits, is \$71,980 in FY 2019 and \$74,080 in FY 2020. The estimated personal costs are based on the employee benefits funded in House Bill 30, 2018. There is an estimated one-time cost of \$30,000 in FY 2019 for furniture and equipment expenses.

Based on data provided by the VWC, at the end of fiscal year 2017, the CICF had a total of \$755,556 in unclaimed restitution payments. The table below provides the number of unclaimed incoming payments and the total amount of unclaimed incoming payments deposited into the CICF from fiscal year 2013 to 2017.

| Criminal Injuries Compensation Fund - Unclaimed Restitution Payments (2013 - 2017) | | |
|---|------------------------------------|--|
| Fiscal Year | Number of Incoming Payments | Total Amount of Incoming Payments |
| 2013 | 3,198 | \$694,960 |
| 2014 | 3,338 | \$661,710 |
| 2015 | 3,292 | \$639,973 |
| 2016 | 3,828 | \$823,272 |
| 2017 | 3,780 | \$755,556 |

The proposed legislation requires the VWC to include in its annual report, a detailed section on all unclaimed restitution collected and disbursed to the victim from the CICF. The VWC is also required to collect and disburse unclaimed restitution and to develop, in consultation with circuit court clerks and the Office of the Executive Secretary of the Supreme Court, policies and procedures for the receipt, collection, and disbursement of unclaimed restitution to victims of crime. Any resources needed to carry out these additional responsibilities are expected to be absorbed by the VWC within its current appropriation and staff.

The proposed legislation requires the clerks to record the receipt of restitution payments in an automated financial system operated and maintained by the Executive Secretary of the Supreme Court. The Office of the Executive Secretary of the Supreme Court is also required to submit an annual report on the total restitution assessed, collected, and unpaid for each circuit and district court and the total of restitution collected and deposited into the CICF to the Governor, General Assembly, Chairmen of the House and Senate Courts of Justice Committees, and Virginia State Crime Commission. The Supreme Court has not indicated that the proposed legislation would result in a fiscal impact for the agency.

9. Specific Agency or Political Subdivisions Affected: Virginia Workers' Compensation Commission, Supreme Court, circuit and district courts, Virginia State Crime Commission, Virginia State Police, local law enforcement agencies, Virginia Senate, and Virginia House of Delegates.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is a companion to House Bill 483-ER (Bell, Robert B.). House amendment 490 #1h provides \$173,960 nongeneral fund appropriation in the first year and \$148,160 nongeneral fund appropriation in the second year, along with two full-time equivalent positions pursuant to the passage of House Bill 483.