

Department of Planning and Budget

2014 Fiscal Impact Statement

1. Bill Number: HB885

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

2. Patron: Peace, C.K.

3. Committee: Passed Both Houses

4. Title: Criminal Injuries Compensation Fund; filing of claims.

5. Summary: The bill allows the Criminal Injuries Compensation Fund to extend the time for filing a claim if the attorney for the Commonwealth submits written notice that the crime is being investigated as a result of newly discovered evidence for crimes committed on or after July 1, 1977, because under current law, the only claims that can be accepted are those for crimes that occurred on or after that date. This provision does not apply to crimes committed on or after July 1, 2001, because legislation that became effective on July 1, 2001, allowed the Virginia Workers' Compensation Commission, which administers the Fund, to extend the time for filing for good cause shown. The bill also increases the maximum emergency award from \$2,000 to \$3,000, the maximum award for mental health counseling of homicide survivors from \$2,500 to \$3,500, and the maximum award for moving expenses from \$1,000 to \$2,000. It directs the Virginia State Crime Commission to convene a stakeholder workgroup to support an efficient and comprehensive streamlining of current federal and state sexual and domestic violence victim service agency funding. The workgroup shall complete its work by September 30, 2014.

6. Budget Amendment Necessary: No. See Item 8.

7. Fiscal Impact Estimates: Fiscal impact estimates are final. See Item 8.

8. Fiscal Implications: The fiscal impact of allowing the Criminal Injuries Compensation Fund to extend the time for filing a claim if the attorney for the Commonwealth submits written notice that the crime is being investigated as a result of newly discovered evidence for crimes committed on or after July 1, 1977 is estimated to be approximately \$15,000 per year in crime victim compensation awards beginning in FY 2015. This is based on the Workers' Compensation Commission's estimation of approximately five additional claims per year averaging \$3,000 per claim. Additional claims will be limited to those for crimes committed on or after July 1, 1977, and before July 1, 2001, which are investigated as a result of evidence newly discovered after the date which this bill takes effect. According to the Commission, victims of crimes occurring on or after July 1, 1977 and before July 1, 2001 for which cases were reopened due to newly discovered evidence before the bill takes effect will not qualify for compensation because crime victim compensation claims are not retroactively

subject to newly established laws and policies. The bill also stipulates that claim awards may only consider expenses that claimants accrue after the date of written notification to the Commission by the attorney for the Commonwealth that the crime is being investigated as a result of newly discovered evidence.

Increasing the maximum emergency award from \$2,000 to \$3,000 is not expected to affect award payments or agency practices due to an opinion of the Commission that outlines determination of these awards, which will not be affected by the bill's provisions.

The increase of the maximum award for mental health counseling of homicide survivors from \$2,500 to \$3,500 could result in additional awards of as much as \$62,000 per year. This is a high end estimate based on an additional \$1,000 of counseling expenses for approximately one family member for 20 percent of the Fund's 306 homicide claims in FY 2013. Based on the Fund's claims history, few claimants use mental health counseling benefits and it is rare for claimants to reach the current \$2,500 maximum.

The maximum award increase for moving expenses from \$1,000 to \$2,000 is estimated to produce as much as \$50,000 in additional Fund expenses per year. This is a high end estimate based on a total of \$81,000 in moving expenses in FY 2013 and the expectation that not all individuals with moving expenses will incur expenses at or above the new \$2,000 maximum.

According to the Workers' Compensation Commission, it is able to accommodate all additional costs associated with the provisions of this bill with its existing revenue and appropriation authority. The bill is not expected to affect the revenue collected by the Criminal Injuries Compensation Fund within the next two years; however, the Fund receives federal reimbursement of 60 percent of victim expenses after approximately a three year lag between payment and reimbursement. Therefore, federal reimbursement of 60 percent of the additional Fund expenses associated with this bill can be expected beginning in FY 2018.

The bill directs the Virginia State Crime Commission (VSCC) to convene a stakeholder workgroup to support an efficient and comprehensive streamlining of current federal and state sexual and domestic violence victim service agency funding. VSCC expects to absorb any associated costs with its existing resources. The participation of representatives from state entities in the workgroup is not expected to have a material fiscal impact.

- 9. Specific Agency or Political Subdivisions Affected:** Virginia Workers' Compensation Commission; Virginia State Crime Commission; Department of Criminal Justice Services; Department of Social Services; Department of Health; local sexual assault, domestic violence, and victim or witness programs

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 3/6/2014

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