

Department of Planning and Budget 2018 Fiscal Impact Statement

1. Bill Number: SB562-S1

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

2. Patron: Obenshain

3. Committee: Finance

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

5. Summary: Adds to the duties of the Virginia Workers' Compensation Commission (VWC) in its role as administrator of the Criminal Injuries Compensation Fund (Fund) the obligation to identify and locate victims for whom restitution owed to such victims has been deposited into the Fund. The VWC shall also responsible for the collection and disbursement of unclaimed restitution and development, in consultation with circuit court clerks and the Office of the Executive Secretary of the Supreme Court, of policies and procedures for the receipt, collection, and disbursement of unclaimed restitution to victims of crime.

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. If the clerk does not have any such restitution to deposit, the clerk shall provide a statement to that effect to the Fund by November 1 of each year.

The bill requires that clerks record the receipt of restitution payments in an automated information system operated and maintained by the Supreme Court or such other system established and maintained by a circuit court clerk and that the restitution form used by the court include the victim's contact information, including address, telephone number, and email address.

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 Senate 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-H1 (Bell, Robert B.).