

Legislative Analysis



CRIME VICTIM'S RIGHTS FUND - REMOVE SUNSET ON EXPANDED USE

House Bill 5592 as Introduced

Sponsor: Representative Alma Wheeler Smith

Committee: Appropriations

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BRIEF SUMMARY OF THE BILL:

House Bill 5592 as introduced amends the Crime Victims Rights Services Act under which the Crime Victim's Rights Fund was established in 1989. The bill amends the act to eliminate an October 1, 2009 sunset for certain uses of the Fund.

In current law there are 3 ordered priorities of usage of the Fund.

- First, for crime victim services.
- Second, amounts in excess of the necessary revenues for services may be used for crime victim compensation.
- Third, effective until October 1, 2009, any additional excess revenue that has not been used for victim compensation may be used to provide any of the following services: the sex offender registry, amber alert missing child notification system, polygraph tests, and forensic science expert witness testimony programs in the Michigan Department of State Police (MSP), and rape and sexual assault victim treatment services programs in the Michigan Department of Human Services (DHS). These uses of the Fund were established by PA 396 of 2008 effective December 26, 2008, allowing appropriations in FY 2007-08 and FY 2008-09.

FISCAL IMPACT:

FY 2009-10 Without an amendment to the statute, FY 2009-10 enacted appropriations of this Fund for DHS and MSP programs cannot be expended, and funds from another source may be needed. The appropriations are enacted in the Department of Community Health (DCH) budget as interdepartmental grants of \$1,300,000 to DHS and \$1,053,300 to MSP.

FUND Since FY 2002-03, expenditures of the Crime Victim's Rights Fund have exceeded revenues deposited to the Fund and a long-standing Fund balance is declining. The balance enables the DHS and MSP programs to be funded in FY 2009-10 and possibly in FY 2010-11, with the enactment of HB 5592. When the available balance is eliminated, probably by the end of FY 2010-11, the statute's priorities of usage will effectively suspend funding for the DHS and MSP programs unless additional Fund revenues become available. Subsequently, DCH expenditures will also need to be reduced unless annual Fund revenue is increased or additional funding is identified from another source. Revenue to the Fund is from fees assessed against convicted criminal defendants.

The Fund balance available to be carried forward at the end of FY 2009-10 is likely to be \$2.0 - \$4.0 million with the enactment of HB 5592. The Fund balance was \$7.4 million at the end of FY 2008-09.

The following table shows recent Crime Victim's Rights Fund history, per DCH.

Fiscal Year	Balance Available from Prior Year	Revenues	TOTAL Funds Available	DCH Expenditures	DHS and MSP Expenditures	TOTAL Expenditures
2006-07	\$11,988,500	\$9,720,600	\$21,709,100	\$9,984,000	\$0	\$9,984,000
2007-08	11,725,100	10,103,000	21,828,100	9,683,200	2,111,500	11,794,700
2008-09	10,033,400	9,061,700	19,095,100	9,719,900	1,993,100	11,713,000
2009-10*	7,382,100	9,242,900	16,625,000	12,772,000	2,353,300	15,125,300

* FY 2009-10 revenue estimated at 2% increase over FY 2008-09, and expenditures shown are as appropriated.

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