



Senate Fiscal Agency
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Senate Bill 535 (Substitute S-2 as reported)
Sponsor: Senator Peter J. Lucido
Committee: Judiciary and Public Safety

CONTENT

The bill would amend the crime victim's compensation Act to do the following:

- Allow a person who was the victim of a crime described in Section 529a of the Michigan Penal Code to be eligible to be paid by the Crime Victim Services Commission for the actual cost of towing and storage fees paid to recover his or her stolen automobile.
- Allow the Commission to waive a minimum out-of-pocket loss limitation for a victim seeking payment for a financial injury.
- Modify a provision specifying that an award may not be made unless the investigation of the claim verifies certain facts to include that the crime directly resulted in financial injury (or personal physical injury, as currently required) to the victim.
- Except from provisions limiting an award amount and allowing the Commission to deny a claim if the claimant would not suffer serious financial hardship a claim for payment of a financial injury.

MCL 18.351

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill likely would increase State expenditures by an uncertain amount and would have no effect on local units of government. The reason for the uncertainty as to the cost pertains to the volume of crimes involving the crime referenced in the bill, MCL 750.529a and the varying costs of towing fees or storage fees. These payments would be made from the Crime Victim's Rights Fund.

In calendar year 2018, the Michigan State Police (MSP) reported that there were 472 "occurrences of carjacking".¹ It is not known if all of the incidents listed in the Michigan Incident Crime Reporting as "carjacking" would qualify for the financial injury payments described in the bill, as the reference in the MSP report is not specific to MCL 750.529a. Since the fees for storage and towing vary by municipality and provider and data describing the average rates for these services are not readily available, it is difficult to estimate the costs with any certainty. One illustration of the potential costs is as follows: if all of the 472 incidents from 2018 were eligible for payment, and if the average cost for towing and storage were \$250, the total costs to the State would be approximately \$120,000. As of the most recent available balance, December 31, 2019, the Crime Victim's Rights Fund had a balance of approximately \$32.3 million.

Date Completed: 3-16-20

Fiscal Analyst: John Maxwell

¹ https://www.michigan.gov/documents/msp/i_Motor_Vehicle_Thefts_661296_7.pdf