

Legislative Analysis



CRIME VICTIM'S RIGHTS FUND: EXTEND SUNSET FOR TRAUMA SYSTEM FUNDING

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House Bill 4915
Sponsor: Rep. Matt Lori
Committee: Judiciary

Complete to 9-9-14

A REVISED SUMMARY OF HOUSE BILL 4915 AS INTRODUCED 7-18-13

House Bill 4915 would amend the Crime Victim's Rights Services Act under which the Crime Victim's Rights Fund is established. Until September 30, 2014, up to \$3.5 million per year may be allocated from the Fund for the establishment and maintenance of a statewide trauma system. Beginning October 1, 2014, trauma system expenditures from the fund will be capped at 50 percent of the maximum allowable unless the amount expended is reasonably proportional to crime victims' utilization of the statewide trauma system.

The bill extends by four years the sunset date for the maximum allowable expenditure of \$3.5 million per year from the Fund to be allocated to the statewide trauma system. Beginning October 1, 2018, the yearly cap would be reduced as described above.

MCL 780.904

BACKGROUND INFORMATION:

Revenue for the Crime Victim's Rights Fund comes from assessments, treated as fee revenue, imposed on individuals convicted of felonies and misdemeanors, including juveniles and those assigned to youthful trainee status or those with deferred sentences. The revenue is used for a variety of crime victim services, including awards to victims and assistance with funeral expenses, psychological counseling, grief counseling, and lost wages.

In current law there are three ordered priorities of usage of the Crime Victim's Rights 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, 2014, any additional excess revenue up to \$3.5 million a year that has not been used for victim compensation may be used to establish and maintain a statewide trauma system. After that date, the maximum allowable yearly expenditure for this purpose is reduced by half or an amount proportional to crime victims' utilization of the statewide trauma system.

In 2004, legislation was enacted to establish a statewide trauma system that would regionalize care, coordinate services, and improve communication between service providers. The legislation aimed at improving a fragmented and inefficient system of emergency and trauma care that resulted in emergency response times in some areas of the state being too slow to adequately treat emergencies such as stroke, heart attack, and serious accidents. However, funding was not provided until Public Act 280 of 2010, which allowed for expenditures from the Crime Victim's Rights Fund to establish and maintain a statewide trauma system.

FISCAL IMPACT:

House Bill 4915 allows for up to \$3.5 million of state restricted Crime Victim's Rights Fund to be appropriated in FY 2014-15 through FY 2017-18 annually in the Department of Community Health (DCH) budget for the establishment and maintenance of a statewide trauma system. If the sunset is not extended or eliminated, beginning October 1, 2014, the funding will be capped at \$1.75 million, unless a higher appropriation can be shown to be proportional to crime victims' use of the statewide trauma system.

The current DCH budget for FY 2013-14 includes an appropriation of the maximum allowed of \$3.5 million, and the enacted FY 2014-15 budget provides continuation funding at the same level. HB 4915 is needed in order to implement the enacted FY 2014-15 DCH budget and provide statutory authority for continued statewide trauma system funding of \$3.5 million.

State restricted Crime Victim's Rights Funds revenue is sufficient to continue to support this funding at a level of \$3.5 million, as a third priority after funding needs are met for crime victim services and crime victim compensation. Revenue to the Fund is from fees assessed against convicted criminal defendants. Crime Victim's Rights Fund monies available through FY 2013-14 are projected at \$25.5 million with total expenditures of \$19.0 – \$19.5 million. In addition to the \$3.5 million for the statewide emergency medical services trauma system, expenditures of the Fund in FY 2013-14 for the crime victim program are estimated as follows: \$1.5 million for state administration and education; \$7.0 million for grants to county prosecutors, courts, and other organizations for training and local advocacy and other victim services; \$5.0 million for victim compensation; \$1.0 million for provider reimbursement for victim forensic exams related to sexual assault (SAFE Response); and \$1,761,400 for state information technology services.

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