

LEGISLATIVE FISCAL ESTIMATE
[Second Reprint]
SENATE, No. 498
STATE OF NEW JERSEY
218th LEGISLATURE

DATED: JUNE 25, 2019

SUMMARY

Synopsis: Makes various changes to “Criminal Injuries Compensation Act of 1971.”

Type of Impact: Annual State Expenditure Increase; General Fund.

Agencies Affected: Department of Law and Public Safety

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Expenditure Increase		Indeterminate	

- The Office of Legislative Services (OLS) finds the annual State expenditure increases associated with this proposed legislation to be indeterminate. There is no data with which to evaluate the impact on the Victims of Crime Compensation Office (VCCO) resulting from additional administrative activity and the payment of additional claims.
- The VCCO may experience a workload increase from reviewing and processing additional claims due to expanding the definition of a victim and increasing the time frame in which victims have to file a claim. The bill also increases the maximum amount that may be awarded for legal fees to \$10,000; the current limit is \$3,000. Although the services and financial reimbursements may increase, the cap on a victim’s awards remains at \$25,000.
- The bill requires the principal office of the VCCO to be located in Newark, New Jersey. Currently it has an office in Newark and another in Trenton. The OLS does not have information as to whether the Trenton office may be closed, which would result in cost savings.

BILL DESCRIPTION

This bill makes several revisions to the “Criminal Injuries Compensation Act of 1971” that is the State’s law which governs compensation to crime victims for certain expenses they incur as a result of a crime.

The bill expands the definition of a “victim” under the act to conform to the definition of a victim under the Crime Victim’s Bill of Rights and is expanded to include the parent of a child of the decedent so that the surviving parent of a child who is not married to the decedent may apply for compensation for the decedent’s child.

The bill also establishes that the principal office of the VCCO to be located in Newark, rather than Trenton. The main office of the VCCO currently is located in Newark, with an ancillary office located in Trenton.

Attorneys’ fees that may be awarded by the VCCO also are increased under the bill. Currently, an attorney representing a victim before the VCCO may be paid up to 15 percent of the total amount of compensation paid to the victim, but not less than \$300. This minimum amount is increased to \$500 under the bill. Under current law, the VCCO also may allow a payment of up to \$3,000 at an hourly rate it sets (currently \$125) to an attorney who provides legal assistance to a victim in any legal matter. The bill increases this payment to up to \$10,000 at an hourly rate of at least \$275 in a legal matter arising out of the victimization. Under the bill, legal assistance includes assisting a crime victim in enforcing his or her rights in all courts, family law matters, obtaining protective and restraining orders, employment matters, accessing public benefits, and life planning. The cap on the five-year limit on payments was removed.

The bill clarifies that in determining whether to order compensation, the VCCO is to consider any facts that provide relevant evidence that the victim contributed to his or her injury or death and that the victim’s conduct was the proximate cause of the injury or death. Under the bill, the VCCO is authorized to make a limited award for funeral benefits, mental health counseling, loss of support for dependent children, and attorneys’ fees in any case in which it is determined the victim’s conduct was the contributing factor to his or her death. The provision that a person legally incapable of forming criminal intent due to age or insanity could be deemed to have intended an act or omission is removed under the bill.

The bill also increases the maximum amount of an emergency award from \$5,000 to \$7,500 and increases the maximum award to compensate for funds stolen from a victim from \$200 to \$1,000. The list of crimes for which a victim is eligible for compensation is also expanded to include simple assault, disorderly conduct, and leaving the scene of an accident. The bill increases the time limit on filing a claim from three to five years after the injury or death; reduces the time frame within which the VCCO is to make a determination of eligibility for compensation from six months to 90 days; requires that payment be made to the victim and third-party vendors within 30 days of a determination of eligibility; removes the VCCO’s option to deny an award based on the victim’s failure to pay certain assessments to the VCCO; authorizes the VCCO to deduct from an award any amount due for these assessments or restitution; authorizes the VCCO to award compensation to an incarcerated victim; and removes the 10-year expiration date on claims.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds the annual State expenditure increases associated with this bill to be indeterminate as there is no data with which to evaluate the impact on the VCCO resulting from additional administrative expenses and the payment of additional claims.

VCCO Expenditures: The VCCO may experience a workload increase as a result of increased claims due to expanding the definition of a victim and increasing the time frame in which victims have to file a claim. Depending on the resource allocation policies of the VCCO, the added responsibilities may or may not augment State administrative expenditures.

The bill increases the maximum amount that the VCCO may award for legal fees to \$10,000; the current limit is \$3,000. Although the services and financial reimbursements may increase, the cap on victim's awards remains at \$25,000.

The bill requires the principal office of the VCCO to be located in Newark, New Jersey. Currently the VCCO has an office in Newark and another in Trenton, and the OLS does not have information as to whether the Trenton office may be closed, which would result in cost savings.

VCCO Background: The VCCO is the payer of last resort and will award compensation for the balance of crime-related expenses not reimbursed first from other sources such as medical insurance or disability benefits. Currently, VCCO compensation benefits may be awarded up to a maximum of \$25,000 per claim (\$10,000 for crimes before December 5, 1982). According to the VCCO's 2017 Annual Report, in FY 2017, the VCCO awarded \$8.3 million to victims of crime, received 3,619 applications, and processed 4,042 claims.

The VCCO is funded by penalties assessed in both municipal and Superior Court. Additional funding comes from the Federal Victims of Crime Act compensation grant, State appropriations, and the commissary surcharge on all items purchased in the Department of Corrections facilities.

Section: Law and Public Safety

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).