

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 2, 2017**

**TO:** Honorable Joe Moody, Chair, House Committee on Criminal Jurisprudence

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB1866** by Geren (Relating to compensation and restitution to crime victims and the disposition of unclaimed restitution payments; providing for an administrative penalty.),  
**As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1866, As Introduced: a negative impact of (\$396,844) through the biennium ending August 31, 2019.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2018	(\$233,714)
2019	(\$163,130)
2020	(\$163,130)
2021	(\$163,130)
2022	(\$163,130)

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>Federal Funds</i> 555	Probable Revenue (Loss) from <i>Crime Victims Comp</i> <i>Acct</i> 469	Probable Revenue Gain from <i>Crime Victims Aux</i> <i>Acct</i> 494
2018	(\$233,714)	(\$137,016)	(\$1,681,180)	\$1,681,180
2019	(\$163,130)	\$0	(\$1,681,180)	\$1,681,180
2020	(\$163,130)	\$0	(\$1,681,180)	\$1,681,180
2021	(\$163,130)	\$0	(\$1,681,180)	\$1,681,180
2022	(\$163,130)	\$0	(\$1,681,180)	\$1,681,180

**Fiscal Analysis**

The bill would amend the Code of Criminal Procedure, Government Code, and Property Code

relating to compensation and restitution to crime victims and the disposition of unclaimed restitution payments.

The bill would amend Chapter 56, Code of Criminal Procedure, to remove General Revenue-Dedicated Compensation to Victims of Crime Auxiliary Fund 494 as a payer of last resort under the Crime Victims Compensation Act. The bill would repeal subsections (l) and (m) of Section 56.54 which respectively allow the Office of the Attorney General (OAG) to use Fund 494 to cover costs incurred in administering the Address Confidentiality Program (ACP) and allow the OAG to transfer not more than 50 percent of ending fiscal year balance of Fund 494 in excess of \$5,000,000 to the General Revenue-Dedicated Compensation to Victims of Crime Fund 469.

The bill would amend Chapter 76 of the Government Code, regarding Community Supervision and Corrections Departments, and Chapter 508 of the Government Code, regarding Parole and Mandatory Supervision, to establish that any restitution payments that are unclaimed for five years are presumed abandoned and would be reported and delivered to the Comptroller of Public Accounts (CPA) under the unclaimed restitution procedures in Chapter 77 of the Property Code, as added by the bill.

The bill would add new Chapter 77 to the Property Code, regarding the report, delivery, and claims process for unclaimed restitution payments, and would apply to payments that are presumed abandoned under Sections 76.013 or 508.322 of the Government Code, as amended by the bill. The bill would require each holder of presumed abandoned restitution payments to file a property report with the CPA with certain information of the victim if known. The CPA would provide notice to victims that they are holding unclaimed restitution payments that are subject to this chapter, and may publish information on the internet except for information that identifies a person as a victim or the victim's address. The bill would authorize the CPA to approve a claim for child support arrearages owed by the victim and reflected in a child support lien; the bill would authorize the lien holder or the OAG to submit a claim.

The bill would require presumed abandoned restitution payments that remain unclaimed to be transferred to the CPA to be deposited to Fund 494. The bill would require the CPA to review claims for unclaimed restitution payments and would allow any claimant to seek review in Travis County district court. The bill would authorize the Legislature to appropriate money in Fund 494 to cover the CPA's costs incurred in administering Chapter 77. The holder of an unclaimed restitution payment who does not comply with the provisions of Chapter 77 would be subject to a penalty.

## **Methodology**

The OAG indicates there would be a one-time technology cost of \$207,600, including \$137,016 in Federal Funds and \$70,584 in General Revenue Funds, in fiscal year 2018 relating to provisions of the bill regarding claims for child support arrearages owed by a victim. The agency indicates it would need to modify the Texas Child Support Enforcement System (TXCSES) to ensure receipt of abandoned restitution payments and disbursement of the funds to the custodial parent.

Additionally, the OAG currently receives appropriations of \$163,130 out of Fund 494 for the Address Confidentiality Program. According to the bill, the program would no longer be an allowable use of Fund 494. This analysis assumes a cost of \$163,130 out of the General Revenue Fund annually to replace Fund 494 to administer the program.

The bill would repeal Section 56.54(m), Code of Criminal Procedure, which currently allows half of ending fiscal year balances in Fund 494 in excess of \$5,000,000 to be transferred by the OAG

to the General Revenue-Dedicated Compensation to Victims of Crime Fund 469. From fiscal year 2014 to fiscal year 2016, the Annual Cash Reports for those affected years indicate transfers ranging from \$1,406,105 to \$1,597,785. Additionally, the OAG indicates a transfer of \$1,984,129 was made in fiscal year 2017. The average of the transfer for those four years is \$1,681,180. Therefore, this analysis assumes an annual revenue loss of \$1,681,180 for fiscal years 2018 to 2022 to Fund 469 and a corresponding gain to Fund 494.

The CPA currently pays restitution claims under Section 76.013 of the Government Code. It is assumed the bill's provisions would not affect the monetary value of unclaimed restitution payments received by the state. The CPA assumes any costs to implement the provisions of the bill can be absorbed within existing resources.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either within or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

### **Technology**

The OAG indicates there would be a one-time technology cost of \$207,600 to modify TXCSES to ensure the receipt of abandoned restitution payments and disbursement of the funds to the custodial parent. The cost reflects 2,100 contractor hours to modify TXCSES, including hours for architecture, data administration, mainframe development, and portal development, to provide this functionality.

### **Local Government Impact**

According to the Texas Association of Counties, the fiscal impact cannot be determined at this time.

**Source Agencies:** 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 696 Department of Criminal Justice

**LBB Staff:** UP, KJo, NV, LCO, KVe, RC, JGA