



Victim Compensation and Assistance Funding

“The Task Force believes that financial compensation for losses that victims sustain... must be an integral part of both federal and state governments...”

- President's Task Force on Victims of Crime, 1982

Crime victim support services and programs have been funded by federal and state governments since the 1980s. In recent years, the revenue stream for these services has decreased significantly. This *issue brief* provides background on victim compensation and victim assistance funding and gives an update on recent changes to funding for these programs.

Federal Crime Victims Fund

The federal Crime Victims Fund was created by the Victims of Crime Act (VOCA) in 1984. The federal government uses the fund to support victim services, including funding to states for victim compensation and victim assistance. The fund is supported by criminal fines, bond and bail forfeitures, and deferred agreements from federal crimes. Every year, Congress establishes the maximum amount of money available for distribution from the fund and then money in the fund is distributed *according to law*.

Recently, fund revenue has *decreased* and reduced money available to states, potentially due to the increasing use of deferred prosecution agreements. From 2018 through 2022, the fund received \$607 million per year on average compared to an average of \$2.4 billion per year between 2007 and 2017. In response, Congress passed the *VOCA Fix Act* in 2021. Among other changes, the act looks to increase revenue by depositing monetary penalties from deferred and non-prosecution agreements into the fund. Relatedly, the act provides additional funds to states.

Victim Compensation

One of the main programs supported by the Crime Victims Fund is victim compensation. Crime victim compensation assists victims in covering tangible expenses incurred because of a criminal act.

In Colorado, each judicial district manages its own victim compensation program. About half the revenue for victim compensation comes from criminal fines and surcharges for state offenses, with the remainder coming from repayment of restitution received by victims, unclaimed restitution, and interest. The federal government also provides funds to Colorado through the Crimes Victim Fund, which the state allocates to judicial districts that cannot cover program costs with their own revenue sources. For federal fiscal year (FFY) 2021-22, Colorado spent about

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\$12.2 million on victim compensation and received a total of \$17.6 million in revenue, of which *\$10.8 million* came from state sources and *\$6.8 million* was received from the federal government.

Similar to the federal government, revenue to Colorado's victim compensation funds fell by about 38 percent from its *peak in 2017* to its low in 2021. Since 2021, revenue has recovered slightly. The VOCA Fix Act provides additional funds to states by increasing available federal funding from 65 percent to 75 percent of what a state spent on victim compensation two years prior. In addition, Colorado passed *Senate Bill 21-292* to provide \$1.5 million in federal stimulus funds for victim compensation.

Victim Assistance Programs

In addition to victim compensation, Colorado and the federal government financially support organizations that provide services to victims through federal VOCA Victim Assistance grants and state Victims and Law Enforcement (VALE) programs.

VOCA Assistance

Federal VOCA Assistance grants are distributed to states and awarded to organizations that provide direct services to victims. The federal government provides each state with \$500,000, plus any funds remaining each year in the Crime Victims Fund based on a state's population. Because funding comes from the Crime Victims Fund, these grants also experienced a *decrease* in funding. For FFY 2021-22, Colorado received *\$24.9 million* for VOCA Assistance, which was higher than FFY 2020-21 (*\$18.0 million*),

but lower than FFY 2019-20 (*\$29.0 million*) and FFY 2018-19 (*\$38.9 million*).

VALE Programs

The state-funded VALE program awards grants to local organizations that provide services to victims or law enforcement agencies to support crime victims and witnesses during criminal investigations. Funding for VALE programs in Colorado is administered at the state and local level and supported by criminal fees and fines, with 13 percent of the funding allocated to the statewide VALE program and the remaining amount distributed to local judicial districts for their own locally administered VALE programs.

Each judicial district's VALE program is overseen by a VALE advisory board, which makes decisions on grant awards. In calendar year 2021, local VALE programs spent about *\$9.0 million* in grant funding, of which \$8.6 million was categorized as victim assistance and the remaining \$0.4 million as law enforcement support. At the state level, funding is first allocated to state departments that operate victim support programs, with remaining funds awarded as discretionary grants to nongovernmental organizations.

As with victim compensation, revenue to VALE programs has *fallen since 2018*, with a slight recovery in 2021. In response, the General Assembly allocated federal COVID stimulus funding to pay for victim services, including *\$2.7 million to local VALE programs and \$1.3 million to the state VALE program in FY 2021-22*, and *\$38.0 million to a new victim assistance grant program and \$3.0 million to local VALE programs in FY 2022-23*.