



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated February 22, 2024)

Drafting Number:	LLS 24-0636	Date:	May 2, 2024
Prime Sponsors:	Sen. Fields Rep. Bird	Bill Status:	House Judiciary
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Bill Topic: UPDATES TO THE CRIME VICTIM COMPENSATION ACT

Summary of Fiscal Impact:	<input checked="" type="checkbox"/> State Revenue	<input type="checkbox"/> State Transfer	<input checked="" type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> TABOR Refund	<input type="checkbox"/> Statutory Public Entity

The bill makes several updates to victim compensation. Starting in FY 2024-25, the bill will increase state and local revenue and expenditures.

Appropriation Summary: No appropriation is required for the Crime Victim Compensation Fund.

Fiscal Note Status: This revised fiscal note reflects the reengrossed bill.

**Table 1
State Fiscal Impacts Under SB 24-120**

		Budget Year FY 2024-25	Out Year FY 2025-26
Revenue	Cash Funds	\$16,335	\$19,899
Expenditures	Cash Funds	up to \$16,335	up to \$19,899
Transfers		-	-
Other Budget Impacts	TABOR Refunds	\$16,335	\$19,899

Summary of Legislation

The bill makes several modifications to the victim compensation program including changing award approval requirements, what losses are eligible for reimbursement, increasing the amount of funding that may be used for administrative expenses, and placing a surcharge on criminal actions that result in alternative sentencing.

Approval requirements. Under current law, a person eligible for compensation must notify law enforcement of a crime within 72 hours of the perpetration of the crime and must submit an application within one year of the date of the injury. The bill clarifies that the requirement to notify law enforcement is met when the person provides documentation of a forensic examination conducted by a nurse or medical provider.

Compensable losses. Only certain losses are eligible for victim compensation. The bill removes outpatient care and homemaker and home health services as compensable losses and adds:

- replacement services losses;
- funeral expenses;
- reasonable travel expenses related to funeral, burial, medical care, counseling, and attending critical events during the criminal justice process unless the victim is subpoenaed to testify;
- dependent care services;
- payment of the deductible on a motor vehicle insurance policy;
- reasonable relocation expenses;
- towing or impound fees; and
- repair or replacement of medically necessary devices.

The bill clarifies that compensable loss related to repairing property applies to residential property and makes motor vehicle expenses not related to insurance or rekeying the vehicle non-compensable.

Deducting compensation approval from collateral sources. Under current law, a victim compensation board must deduct from an applicant's overall compensation approval any payments the applicant receives from the offender, the government, a private source, or an emergency approval of compensation. The bill allows but does not require this deduction.

Compensation to relatives. The bill adds funeral expenses to the list of eligible expenses that are compensated for relatives of a victim.

Emergency approvals. Under current law, a board may approve emergency compensation up to \$2,000. The bill removes this cap and allows a board to set its own cap.

Administrative expense. The bill increases the amount district attorneys and the court executive may use for administrative expenses, from 12 to 22.5 percent, with district attorneys allowed to use 20 percent and the court executive allowed to use 2.5 percent.

Victim compensation surcharge. Finally, the bill establishes a new \$33 surcharge on each criminal action that results in placement in an alternative sentencing program (diversion surcharge).

Assumptions

Based on FY 2019-20 and FY 2020-21 data from the Judicial Department, about one-third of traffic, misdemeanor, and felony cases received a waiver for indigence.

State Revenue

The bill will increase state revenue to the Crime Victim Compensation Fund by an estimated \$16,335 in FY 2024-25 and \$19,899 in FY 2025-26 and ongoing from the new surcharge as described below.

Fee impact on offenders. Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. These fee amounts are either outlined in the bill (the surcharge in cases of alternative sentencing) or represent the average assessment issued by the courts for certain offenses. Table 2 identifies the fee impact of this bill, and more information about each source of revenue is explained in more detail below.

**Table 2
 Fee Impact on Offenders**

Year	Type of Fee	Assessment	Number Affected	Percent Collected	Total Fee Impact
FY 2024-25	Diversions Surcharge	\$33.00	900	55%	\$16,335
	FY 2024-25 Total				\$16,335
FY 2025-26	Diversions Surcharge	\$33.00	900	55%	\$16,335
	Prior-Year Collections	\$33.00	900	12%	\$3,564
	FY 2025-26 Total				\$19,899

Diversions surcharge. Starting in FY 2024-25, revenue to the Crime Victim Compensation Fund will increase due to the new \$33 diversions surcharge on offenses that result in placement in an alternative sentencing program. Based on Judicial data analyzed by Legislative Council Staff, there were about 1,350 diverted sentences in FY 2022-23. Applying the indigence assumption outlined above (one-third of cases), it is estimated that 450 individuals will be declared indigent and have the new surcharge waived. Of the remaining individuals, based on Judicial Department collection rates for other victim compensation assessments, it is assumed 55 percent of the diversions surcharge assessed will be collected in the fiscal year. It is unknown what the collection rate of district attorney offices will be; therefore, actual revenue may vary.

Prior year collections. Starting in FY 2025-26, revenue will increase from collections of assessments that were assessed in the prior fiscal year. It is estimated that 12 percent of the diversions surcharge will be collected.

State Expenditures

Starting in FY 2024-25, bill increases workload within the Judicial Department and may increase expenditures from the Crime Victim Compensation Fund, as described below.

Judicial Department. Workload within the Judicial Department will increase to update its information technology system to create a new financial code, and for accounting staff to update ledgers and spreadsheets to track the new revenue, and to make payments to each judicial districts. All work can be accomplished within existing workload and no change in appropriations is required.

Victim compensation. By increasing revenue to the Crime Victim Compensation Fund, expenditures from the fund will also increase to award more compensation. Exact increases will depend upon funding decisions by each individual judicial district's victim compensation board. In addition, the bill may change individual compensation awards in two ways. First, by increasing administrative expenses, there may be less money available for victim compensation awards. Second, by changing the requirements on how to get an award, and what is eligible for reimbursement, the number of individuals receiving compensation and the size of individual awards may increase, which may decrease award amounts in other areas. The fiscal note assumes that victim compensation boards will make compensation award decisions within the available funds.

Other Budget Impacts

TABOR refunds. The bill is expected to increase the amount of state revenue required to be refunded to taxpayers by the amounts shown in the State Revenue section above. This estimate assumes the March 2024 LCS revenue forecast. A forecast of state revenue subject to TABOR is not available beyond FY 2025-26. Because TABOR refunds are paid from the General Fund, increased cash fund revenue will reduce the amount of General Fund available to spend or save.

Local Government

District attorneys. Starting in FY 2024-25, the bill will increase workload for district attorney offices that run diversion programs to collect and transmit the diversion surcharge. In addition, revenue to district attorney offices will increase from retaining additional victim compensation funds for administrative purposes, as allowed under the bill.

Victim compensation boards. Starting in FY 2024-25, the bill will increase revenue to, and may increase expenditures in victim compensation boards. The exact revenue increase to each board will be dependent upon the number of diversion cases in each judicial district and the number of waived indigence cases there currently are in the judicial district. In addition, the exact increase in expenditures will be dependent upon compensation award decisions made by each board.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature, and applies to compensation approvals on or after this date.

State and Local Government Contacts

District Attorneys

Judicial

Public Safety

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).