

Fiscal Note

State of Alaska
2014 Legislative Session

Bill Version: SB 104
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB104-DOA-VCCB-01-13-14
Title: APPROPRIATIONS FROM THE DIVIDEND FUND
Sponsor: DYSON
Requester: (S) STA

Department: Department of Administration
Appropriation: Violent Crimes Compensation Board
Allocation: Violent Crimes Compensation Board
OMB Component Number: 2694

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2015	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2015 Request	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
OPERATING EXPENDITURES	FY 2015	FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None								
Total	0.0							

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues	(829.0)		(2,536.8)	(2,536.8)	(2,536.8)	(2,536.8)	(2,536.8)	(2,536.8)
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Estimated SUPPLEMENTAL (FY2014) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2015) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? **Yes**
If yes, by what date are the regulations to be adopted, amended or repealed? **07/01/15**

Why this fiscal note differs from previous version:

Not applicable, initial version.

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Division: Violent Crimes Compensation Board	Date: 01/10/2013 02:17 PM
Approved By: Curtis Thayer, Acting Commissioner	Date: 01/13/14
Agency: Department of Administration	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2014 LEGISLATIVE SESSION

BILL NO. SB 104

Analysis

In SB 104, Section 2 amends AS 43.23.028(5)(D) and Section 3 amends AS 43.23.031 changing appropriations from the 1171 PFD Crime Fund. This would have the effect of eliminating the current source of state funding for the Violent Crimes Compensation Board without any indication of how that funding would be replaced.

State appropriation from the 1171 PFD Crime Fund is not the sole source of funding for the Violent Crimes Compensation Board. The Board also receives an annual federal grant based on the total State funds spent on state grants each year. There could be up to 3 federal grants open and available to spend from annually. Making an assumption that all funds available in the grants line (\$1,114.7 FY14) were spent in the current year, VCCB could apply for a federal grant in the amount of \$668.8 (60% of State funds) in FY15. By including the prior year's federal grant funds (approximately \$1,039.0), there would be a balance of \$1,707.8 federal funds available to draw upon in FY15. Assuming these funds were spent in full during FY15, there would be no more state or federal funds available to spend on victims of crime, hence zero revenue in FY16 and onward.

In FY2014, VCCB's total authorized budget is \$2,536.8. Assuming there is no change in their authorization, if this bill passes in FY2015, VCCB will not have PFD Funds appropriated to the Crime Victim Compensation Fund (CVCF) and will no longer have matching funds available for the federal grant program. Therefore, in FY2015, VCCB will have prior year federal grant funds available to spend. In FY2016 and beyond, VCCB will have no funds available.

While the bill proposes to appropriate funds to the Department of Law for paying restitution to victims of crime, this would not replace the function of the Violent Crimes Compensation Board which, by statute, is explicitly authorized to pay compensation to an innocent victim of a violent crime *whether or not a person is prosecuted or convicted of an offense* (restitution may only be ordered by the Court following a successful prosecution).

Moreover, the Board is authorized to pay compensation not only to the direct victim of a crime, but to others who may incur expense on their behalf, or to family members impacted by the crime (e.g. counseling to the parent of a minor child who was sexually abused, or murdered).

As a result, this fiscal note represents a shift to zero funding of the board, its administrative officers and its mission to award compensation grants to victims. Pursuant regulations for VCCB would require repeal in its absence.