

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1544

(Delegate McConkey)

Judiciary

Court Costs - Criminal Injuries Compensation Fund

This bill increases, from \$3 to \$10, the amount of court costs that must be imposed on a defendant convicted of a motor vehicle offense in the District Court. In addition, the bill alters the distribution of revenues from these court costs by requiring that the first \$2 million be evenly distributed to the State Victims of Crime Fund (SVCF) and the Criminal Injuries Compensation Fund (CICF); and that any revenue in excess of \$2 million be distributed to the CICF. Under current law, the first \$500,000 is evenly distributed between the two special funds, with any revenue in excess of \$500,000 distributed to the CICF.

Fiscal Summary

State Effect: Special fund revenues for CICF increase by \$2.1 million in FY 2011 and by \$3.1 million on an annualized basis. Special fund revenues for SVCF increase by \$750,000 annually beginning in FY 2011. Expenditures are not directly affected.

(in dollars)	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
SF Revenue	\$2,866,000	\$3,821,300	\$3,821,300	\$3,821,300	\$3,821,300
SF Expenditure	-	-	-	-	-
Net Effect	\$2,866,000	\$3,821,300	\$3,821,300	\$3,821,300	\$3,821,300

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: CICF, in the Department of Public Safety and Correctional Services (DPSCS), is a special fund that provides financial assistance for innocent victims of crime. It is administered by the Criminal Injuries Compensation Board (CICB). SVCF is a special fund that is used for carrying out statutory guidelines for treatment and assistance to victims of crime and delinquent acts. The State Board of Victims Services, in the Governor's Office of Crime Control and Prevention, is responsible for administering the fund.

Both special funds share the first \$500,000 attained from the \$22.50 fee assessed in circuit court, the \$12.50 fee assessed in District Court for cases other than motor vehicle cases, and \$3 assessed in the District Court for motor vehicle cases. After the \$500,000 threshold is reached and each fund has acquired \$250,000, CICF receives the remainder of funding from these fees.

Background: In fiscal 2009, there were 823 claims filed with CICB and the fund paid out approximately \$6.5 million in awards. Assuming 800 claims are filed in fiscal 2010, awards for the current fiscal year will total about \$6.5 million. The proposed fiscal 2011 State budget includes \$6.5 million for awards.

CICF revenues average approximately \$3.6 million annually and are used to support crime victim compensation as well as CICB operating expenses. A fund balance in excess of \$2.5 million existed in the account since fiscal 2002. As a result of a number of operational improvements between fiscal 2002 and 2004, such as a new automated tracking system, increased staffing, and a more aggressive outreach effort, CICB increased the number of awards made to victims of crime and the amount of State funding used to support this purpose. CICB used the available fund balance to help support this growth. As a result, the special fund appropriation for CICB has exceeded annual revenues since fiscal 2005. As of fiscal 2009, the CICF fund balance has been exhausted. CICB estimates that by fiscal 2013 and each subsequent year, total funding for crime victim compensation will be reduced to \$4.4 million, as opposed to the more than \$6.0 million provided annually for the past two years.

The SVCF has an allowance of \$1.3 million in the proposed fiscal 2011 State budget for grant awards.

State Fiscal Effect: According to the District Court and the Administrative Office of the Courts (AOC), the increase in revenues would actually be realized in the instances of prepayments of motor vehicle fines and costs, rather than in all motor vehicle offenses. In fiscal 2009, there were 545,907 prepayments of motor vehicle offense court costs.

Accordingly, under the bill, special fund revenue to CICF increases by at least \$3.1 million on an annualized basis and special fund revenue to SVCF increases by \$750,000. Due to the bill's October 1, 2010 effective date, the revenue increase for CICF will only total \$2.1 million in fiscal 2011.

Exhibit 1
Potential Revenue Increase by Fund

	<u>SVCF</u>	<u>CICF</u>	<u>Total</u>
Current Law	\$250,000	\$1,387,721	\$1,637,721
HB 1544	1,000,000	4,459,070	5,459,070
Difference	\$750,000	\$3,071,349	\$3,821,349

AOC also reports that the bill will require revisions to applicable fine schedules and minor reprogramming costs for the District Court's cash register system. All such operational costs can be handled with existing budgeted resources.

Additional Comments: AOC advises that it is possible that the bill's increases in court costs may have an impact on fines levied by District Court judges in the same motor vehicle cases. If so, the bill may have a minimal impact on general fund revenues.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts), Department of Public Safety and Correctional Services, Department of Legislative Services

Fiscal Note History: First Reader - March 26, 2010
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