

SENATE BILL REPORT

SB 6492

As Passed Senate, February 15, 2002

Title: An act relating to establishing a crime victims' compensation trust account and eliminating interest on third-party settlements.

Brief Description: Modifying crime victims' compensation provisions.

Sponsors: Senators Costa, Regala, Long, Winsley and Kohl-Welles; by request of Department of Labor & Industries.

Brief History:

Committee Activity: Human Services & Corrections: 1/25/02 [DP].

Ways & Means: 2/6/02, 2/12/02 [DP].

Passed Senate: 2/15/02, 46-0.

SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

Majority Report: Do pass.

Signed by Senators Hargrove, Chair; Costa, Vice Chair; Carlson, Franklin, Hewitt, Kastama, Kohl-Welles, Long and Stevens.

Staff: Edith Rice (786-7444)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Brown, Chair; Regala, Vice Chair; Fairley, Vice Chair; Fraser, Hewitt, Honeyford, Kline, Kohl-Welles, Long, Parlette, Poulsen, Rasmussen, Roach, Rossi, B. Sheldon, Snyder, Spanel, Thibaudeau, Winsley and Zarelli.

Staff: Brian Sims (786-7431)

Background: The Crime Victims Compensation Program (CVCP) exists to provide financial assistance to innocent victims of violent crime. Approximately one-third of the funding for CVCP comes from a federal grant, Department of Corrections and the general fund-state. The remaining two-thirds comes from the public safety and education account. The CVCP has generally paid crime victims' medical bills received after July 1 for a prior biennium from the new biennium appropriation. A recent state audit finding held that Labor and Industries (L&I) cannot continue to pay old bills from new appropriation funds.

It is possible for the CVCP to run out of funds. During funding short falls, L&I can request supplemental appropriations. However, approval of such funding is uncertain because the program is not an entitlement. In the event that the program is underfunded, some providers might not get paid and L&I would have to set priorities.

Sometimes crime victims who receive CVCP assistance later receive a settlement from a third party. Current state law requires the program to file a lien against those settlements to recover benefits, and collect an additional 8 percent interest when the settlement comes from another state agency. A recent superior court ruling held that such a collection of interest was unconstitutional.

Summary of Bill: A crime victim's compensation trust account is established which can be used to pay a portion of benefits. As a nonappropriated account, the trust account's balance does not lapse at the end of the biennium, allowing payment of past biennium's bills from the trust account balance. The requirement to collect interest from state agency third party settlements is repealed. Priorities are set for payment in the event of a lack of funds.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This legislation will provide some level of stability to the fund.

Testimony Against: None.

Testified: Doug Connell, Cletus Nnanabu, Labor and Industries; Joan Guenther, Washington Coalition of Crime Victim Advocates.