

Individual State Agency Fiscal Note

Bill Number: 6181 2S SB	Title: Crime victims' compensation	Agency: 235-Department of Labor and Industries
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
Account					
General Fund-State 001-1	0	144,000	144,000	0	0
Total \$	0	144,000	144,000	0	0

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

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Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Section 1

Amends RCW 7.68.060 extends the period during which a crime victim may apply for benefits from two years to three years after the date the crime was reported to law enforcement.

Section 2

If injury or death results to a minor victim from the deliberate intention of a parent of the minor victim to produce the injury or death, or if injury or death results to a minor victim as a consequences of a parent of the minor victim engaging in an attempt to commit, or the commission of, a felony, the parent shall not receive any payment under this chapter.

Section 3

(7)(a) The parent of a minor victim shall receive up to thirty days of the parent's lost wages if the director determines that the parent has lost wages due to any one or more of the following:

- (i) The time where the parent of a minor victim accompanies the minor victim to medical or counseling services related to the crime; or
 - (ii) The time where the parent of a minor victim accompanies the minor victim to criminal justice proceedings related to the crime.
- (b) Wages under this subsection shall be based on employer wage statements, employment security records, or documents reported to and certified by the internal revenue services.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

The Crime Victims program receives federal funding, General Fund-Federal, associated with benefit expenditures. Due to benefit expenditures associated with this bill being indeterminate, the changes to federal revenue are also indeterminate.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Appropriated – Operating Costs

This bill will increase expenditures to the General Fund-State, fund 001.

Section 1 – Filing Time

The filing time change from 2 to 3 years impact two areas of the CVC program:

- Victims of crimes over 18 years old
- Victims of crimes under 18 years old

L&I is assuming that the filing time increase will apply to both areas.

Currently, minor victims, victims of crimes under 18 years old, are not considered reasonably able to report a

crime until they reach the age of 18 at which time the filing period starts. When this happens, retroactive payments will be made to the client. L&I is not able to reasonably estimate the costs associated with increasing the filing time by an additional year for this area.

For victims of crimes over 18 years old, L&I estimates the cost related to extending the filing period from 2 to 3 years for other claims is as follows:

- A total of 80 claims were rejected for not reporting timely from FY17 – FY19.
 - o This equates to 26.7 additional claims per year to be paid. (80 rejections / 3 years = 26.7 additional claims)
- FY19 costs
 - o \$12.7 million in benefit expenditures
 - o 9,565 regular claims and sexual assault exams received
 - o 8,073 allowed regular claims and sexual assault exams
 - o Per allowed claims rate is \$1,568.52
- Total costs related to section 1 of this bill equal \$42,000. (26.7 additional claims x \$1,568.52 per allowed claim rate)

Section 3 – Lost Wages

L&I currently does not track how often victims attend criminal justice appointments. CVCP will need to develop a process and tracking system to confirm the attendance at criminal justice appointments. These benefit costs are indeterminate.

If all 30 days were received the estimated cost would be as follows:

- In the last 3 years there has been an average of 226 bills per year for minors with an allowed claim.
- The current average monthly wage in Washington is \$5,442. Based on the current compensation rate calculation 60 percent of the average monthly wage is \$3,265 or \$108 per day.
- L&I assumes each claim will have at least 30 days of medical or criminal justice appointments. (226 x 108 x 30 = \$732,240)

Information Technology Applications/Systems

\$144,000 is needed for 1160 contractor hours to update the Crime Victim Case Management System to track payments made to parents of minor crime victims and flag parents that are not eligible for benefits.

The expenditure calculations in this fiscal note includes changes to the hourly rates for contract technology based on an annual analysis completed by L&I. These changes include rates based on expert skill level and an inflationary factor in all categories.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
001-1	General Fund	State	0	144,000	144,000	0	0
Total \$			0	144,000	144,000	0	0

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts		144,000	144,000		
E-Goods and Other Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	144,000	144,000	0	0

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

This legislation would result in rule changes to:

- WAC 296-30