

Approved March 28, 1986  
Date

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by Senator August "Gus" Bogina at  
Chairperson

11:00 a.m./p.m. on March 20, 1986 in room 123-S of the Capitol.

All members were present except:

Committee staff present:

Research Department: Robin Hunn, Scott Rothe  
Revisor's Office: Norman Furse  
Committee Office: Judy Bromich, Doris Fager

Conferees appearing before the committee:

Don Stumbaugh, Director, Crim Victims Reparations Board  
Representative Jerry Friedeman  
Zoel Parenteau, KPTS, Wichita

SB 685 - Extending use of crime victims reparations fund to state operations of the Board

Mr. Stumbaugh distributed Attachments A and B, and explained the exhibits in Attachment A. There were questions from committee members about various figures in the attachment. During the discussion, Mr. Stumbaugh indicated that the provisions of SB 685 have been recommended by the Governor.

Senator Bogina suggested that, if the federal funds now available for the Crime Victims Reparations Fund are eventually withdrawn, the amount of reparations may need to be reduced. Mr. Stumbaugh agreed that it will be necessary to find other sources of funding or restrict payment of claims.

Answering a question from Senator Werts, Mr. Stumbaugh stated that the Board does not have any mechanism set in writing to deal with the possibility of reduction of federal funds. Senator Werts stressed the need for such a plan.

In answer to questions from Senator Bogina, Mr. Stumbaugh said this is the first year federal funds have been available for the crime victims reparations fund. He noted that docket fees were increased, but the revenue from those increased fees is not as much as was expected.

There were questions from several committee members asking for clarification of SB 685.

Motion was made by Senator Werts and seconded by Senator Doyen to report SB 685 favorably for passage. The motion carried by roll call vote.

SB 726 - Kansas public broadcasting commission; allocation of state funds

Mr. Furse explained the proposal before the committee. He stated that current law provides that funds allocated and distributed are to be amounts to each station (Line 47 of the bill), which means that the appropriations bills should allocate to each station. However, the Governor and the Legislature have not appropriated money in that manner.

Answering questions from Senator Bogina, Mr. Furse stated that, if SB 726 becomes law, the appropriations can be by line item for each station, or the distribution can be made by the Public Broadcasting Commission.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,

room 123-S, Statehouse, at 11:00 a.m./p.m. on March 20, 1986

SB 726 - Continued

Representative Friedeman stated that he has some reservations about the amendments included in SB 726, because if appropriations are made in a lump sum for all public broadcasting stations, the Commission would need to make the decision concerning distribution. He said the Commission would request that appropriations continue as has been done in the past.

During ensuing discussion, it was determined that appropriations in the statute were made in one lump sum to public television; and that the subcommittee report states the amount intended for each station.

Representative Friedeman suggested that, if the Commission makes the distribution decision, it may become a partisan operation.

Mr. Parenteau said it was his group's recommendation that the bill ensure that the decision as to the size of grant per station be made by the Legislature. He told the committee that the national Corporation of Public Broadcasting originally had constant battles over distribution of funds appropriated by Congress. Because of the problems involved, Congress subsequently changed the authorizing legislation, and put in each appropriation a specific percentage split between radio and television. Mr. Parenteau added that he was led to believe that allocations in subcommittee reports served the same purpose as a line item appropriation.

Motion was made by Senator Gannon and seconded by Senator Johnston to report SB 726 favorably for passage. The motion carried by roll call vote.

Motion was made by Senator Talkington and seconded by Senator Doyen to request that SB 726 and SB 685 be placed on the consent calendar. The motion carried by voice vote.

SB 720 - Establishing statewide reappraisal cost-sharing fund

The Chairman reminded the committee that SB 720 had been heard at an earlier meeting, and that a decision needs to be made concerning its passage.

There was discussion concerning whether funds should be set aside in FY 1987 for two subsequent fiscal years, or whether to review the need for reappraisal state aid each year. Senator Doyen suggested it be reviewed each year. Senator Werts commented that, if the funds were set aside, that amount would not be spent on other items. He reminded the committee that the effects of the Gramm-Rudman bill are not known, nor is the income from the proposed sales tax increase certain. He further stated that the inclination is to spend what is available, and if funds are set aside for reappraisal purposes, these funds will not be spent in the next fiscal year.

Senator Johnston stressed that he felt the funds should be set aside for reappraisal purposes. He suggested this would be an indication to the counties that the state is serious about funding a certain level of the reappraisal costs. Senator Gaines said the other side of that argument is that counties will target to spend at least the amount of money set aside by the state.

A conceptual motion was made by Senator Johnston and seconded by Senator Feleciano to amend SB 720 to provide that \$16 million be set aside quarterly from the State General Fund in FY 1987, and that the funding be subject to appropriation by succeeding Legislatures; and that a provision be included that it is definitely a cost sharing fund from which shall be spent no more than 50% of the actual cost of reappraisal in Kansas. The motion carried by voice vote.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,  
room 123-S, Statehouse, at 11:00 a.m./p.m. on March 20, 1986

SB 720 - Continued

Motion was made by Senator Johnston and seconded by Senator Feleciano to report SB 720 as amended favorably for passage. The motion carried by roll call vote.

INTRODUCTION OF BILLS

Senator Bogina presented two bills for introduction, noting that each is the result of a recommendation in a subcommittee report approved by this committee.

Motion was made by Senator Feleciano and seconded by Senator Gannon to introduce the two bills (Bill Drafts RS 2740 and RS 2741). The motion carried by voice vote.

The meeting was adjourned by the Chairman.

A 3-20-86

Exhibit I  
Docket Fee Receipts

	Balance Carried Forward	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY85	31,816	20,374	20,380	19,837	18,264	17,824	20,738	15,986	15,089	14,291	18,619	21,084	21,602
FY86	95	18,880	37,070	34,877	38,487	35,857	31,837	32,977	37,758				
FY85 Docket Fee Receipts: \$255,904 FY86 Docket Fee Receipts: \$267,743 (through 2/28/86) FY86 Projected Receipts @ \$35,000/mo. \$407,743													

*Atch. A*  
*S. w+m 3/20/86*

Exhibit II

FY86 Claims Award

	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Totals
# of Claims Awarded	(23)	(13)	(22)	(26)	(20)	(6)	(47)	(33)	
New Claims Awards (In Dollars)	34,824	16,120	31,077	34,218	61,190	2,335	43,093	59,900	282,757
# of Claims Modified Claims (In Dollars)	(14) 3,484	(9) 3,136	(8) 1,165	(15) 5,365	(7) 3,661	(8) 2,010	(14) 3,422	(10) 2,253	24,496
Total by Month (In Dollars)	38,308	19,256	32,242	39,583	64,851	4,345	46,515	62,153	307,253

FY86 Projected Awards \$460,879  
(Based on 8 mos. Activity)

Exhibit III

Claims Expenditures

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Totals
FY85													
GF	12,053	11,821	237	46,890	123	-	640	20,835	1,953	-	-	-	94,552
DF	51,944	17,787	7,651	24,781	14,265	21,892	26,071	15,492	13,284	15,406	16,885	30,352	255,810
FF	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTALS	63,997	29,608	7,888	71,671	14,388	21,892	26,711	36,327	15,237	15,406	16,885	30,352	350,362
FY86													
GF	4,496	9,566	16,493	-	-	10,000	-	-	-	-	-	-	40,555
DF	6,291	49,733	33,763	15,361	36,167	52,241	38,546	2,200	-	-	-	-	234,302
FF	-	-	-	-	-	-	2,929	16,456	-	-	-	-	19,385
TOTALS	10,787	59,299	50,256	15,361	36,167	62,241	41,475	18,656	-	-	-	-	294,242

7/1/84 -  
6/30/85

7/1/85 -  
2/28/86

FY85 Expenditures \$350,362  
 FY86 Expenditures \$294,242  
 (Through 2/28/86)  
 FY86 Projected Expenditures \$441,363  
 (Based on 1st 8 mos.)

Exhibit IV

A. FY86 Budget Analysis - Claims Funds

	<u>FY86 Revised Estimates of Funds Available</u>	<u>FY86 Expenditures Gov. Rec.</u>	<u>Balances Carried Fwd. to FY87</u>	<u>Projected FY87 Receipts</u>	<u>FY 87 Total Available</u>
Fed. Funds	\$116,000	\$78,000	\$38,000	(A) \$80,765	\$118,765
CVR Funds	407,743	290,406	117,337	(B) 537,337	533,474
Gen. Funds	<u>74,106</u>	<u>74,106</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	597,849	\$442,512	\$155,337	\$500,765	\$656,102

(A) Based on Federal Formula 35% of Prior Fed. FY Expenditures on Reparations (\$369,211 x .35 = \$129,224) Based on most current information a proposed cut of 37.5% will be effective for Federal FY 86 funds under The Victim Assistance Act. Therefore Kansas portion of federal funds for compensation would be estimated at approximately \$80,765 computed as follows \$129,224 - 37.5% = \$80,765

(B) Based on FY86 Receipts Remaining Constant @ 35,000/mo.

B. FY87 Budget Analysis - Claims Funds

Total Funds Available for FY87	\$656,102
Less State Operating Expenditures (Docket fees)	\$90,029
Less FY 87 Expenditure on Claims Based on 30% increase over FY 86 expenditures (See Exhibit III)	<u>\$573,772</u>
Balance Carried Forward FY88	<\$7,699>

Exhibit V

Crime Victim Assistance Act of 1984

Projected Level of Federal Funding for State FY 87

(Expenditures on Claims by Month)

Fed FY 85	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
Docket Fee	24,781	14,265	21,892	26,071	15,492	13,284	15,406	16,885	30,352	6,291	49,733	33,763	268,215
Gen. Fund	46,891	123	-	640	20,835	1,953	-	-	-	4,496	9,566	16,493	100,997
TOTALS	71,672	14,388	21,892	26,711	36,327	15,237	15,406	16,885	30,352	10,787	59,299	50,257	369,212
<p>*Projected Funding for State FY 87                      <math>\\$369,212 \times 35\% = \\$129,224 - 37.5\% = \\$80,765</math></p>													

\*First year funding of Victim Assistance Act of 1984 called for states to use a formula of 35% of total expenditures of claims to victims for the previous federal fiscal year. The resulting amount could be applied for by each state having a compensation program. Current Federal Administration Proposal cuts 37.5% the amount available to state compensation programs. Therefore the computed amount of \$129,224 would be reduced by 37.5% resulting in a PROJECTED TOTAL AMOUNT AVAILABLE FOR FY 87 of APPROXIMATELY \$80,765.



## CUTTING THE "CRIME VICTIMS FUND": A FACT SHEET

### 1. What is the "Crime Victims Fund"?

The Fund was created by the Victims of Crime Act of 1984 (VOCA). Its revenues come from fines and penalties collected from Federal criminal offenders. Up to 5 percent of the Fund may be spent to aid Federal victim assistance efforts; up to 50 percent supports state victim compensation programs; and no less than 45 percent supports local programs of victim assistance.

Each compensation program may receive a grant of no more than 35 percent of its last-year's compensation awards. If those grants do not add up to the amount reserved for them in the Fund, the remainder is given to the pool for local service programs. Since that happened in 1986, the adjusted percentages for this year are: 5 percent for the Federal effort, 35 percent for state compensation, and 60 percent for local services.

Another feature of the program: when revenues reach \$100-million, any excess goes to the Federal treasury. Revenues collected in Fiscal 1985 (available for grants in fiscal 1986) totaled only \$68-million. It is expected that the Fund will have \$75-million next year.

A final feature: a "sunset" clause in the Act ends deposits into the Fund in September 1988, unless Congress renews the program.

### 2. What does the Administration now propose to do to the Fund?

The Administration's proposed budget for Fiscal 1987 asks Congress to reduce the ceiling from \$100-million to \$35-million. It also seeks to give back money for a Federal victim-assistance program in 1986.

### 3. Has the Administration labeled the Crime Victims Fund as part of the "budgetary fat" it is trying to eliminate?

No, and it is doubtful it ever will. For it was the Administration that dreamed up the idea of the Fund and persuaded Congress to put it in place less than two years ago.

### 4. Why should an "abuser's tax" on Federal offenders help victims of what are mostly state law violations?

Because "assisting victims of crime is a joint responsibility of the States and Federal Government" – to quote the Administration's original bill.

Because we look to the Federal government for pivotal acts of leadership to get states and localities to do more to solve nationwide problems – and the VOCA program is having that leadership effect.

And because the way we mistreat victims "is a national disgrace", to quote the President. Mistreating victims does more than compound their pains – it insures that many of them will never again turn to the justice system for help.

### 5. Should not the Crime Victims Fund, like other Federal programs, make sacrifices to ease that crisis?

Yes – but fairly, in the "sacrifice-and-sacrifice-alike" manner designed into the Gramm-Rudman-Hollings deficit-reduction act.

While the cuts would devastate the Fund, they would do practically nothing to ease the deficit. The best projections are that the "VOCA sacrifice" would add just one dime to every \$2,125 in revenues going to the Treasury from other sources.

### 6. Since the program is new, is there evidence that the cuts would produce a real hardship?

Yes. Three examples out of many:

Knowing that the grants were coming, most state compensation programs were reformed so that, for example, an out-of-state visitor who is criminally injured may now get financial help. Such reforms may end with a massive cut in Federal aid.

Ever since Betty Jane Spencer survived an assault, she has worked very ably to help other victims – partly as a memorial to her four sons, who were killed in the same crime. Should the Victim Advocate Foundation she heads receive a hoped-for VOCA grant, she can finally afford to devote full time to her profession of love.

A respected victims' program in Oregon is housed in the Clackamas County District Attorney's office. The county recently decided to up the pay of program director Sharon O'Shea from a 40 percent worker to the 100 percent worker she has always been. This was because it was confident of getting a VOCA grant from the state.

It is the victim assistance programs that are most jeopardized by the Administration's proposal. Funds for these programs would be reduced from \$41-million in 1986 to \$17-million in 1987.

### 7. What happens to the Administration's proposal now?

It goes to Congress, where both Houses must approve it if it is to become law. The two subcommittees that have reportedly been given the job of studying the proposal are: the House Judiciary Subcommittee on Criminal Justice, and the Senate Appropriations Subcommittee on Commerce, Justice, and State.



STATE OF KANSAS  
CRIME VICTIMS REPARATIONS BOARD

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TO: Gary Stotts, Acting Director of the Budget  
FROM: Don Stumbaugh, Director *DS*  
DATE: February 28, 1986  
RE: SB 685 Fiscal Impact Statement

I. Bill Summary:

The proposed legislation would provide that expenditures from the Crime Victims Reparations Fund which are currently limited to payment of claims may be made for state operations. The Governor's budget recommendation for FY 1987 provides for payment of \$89,029 of state operations from the Crime Victims Reparations Fund thus removing all State General Fund support from the agency. Accordingly, passage of Senate Bill No. 685 would implement the recommendations contained in the FY 1987 Governor's Budget Report.

II. Impact on agency, agency responsibilities, and agency staffing:

None.

III. Fiscal Impact:

The fiscal impact of the proposed legislation is a net reduction of \$89,029 otherwise available for payment of claims. However since the agency is currently receiving Federal Funds, for the first time, in excess of \$89,029 the impact should not hinder the agency in meeting its projected expenditure on claims for FY 87.

IV. Long-range fiscal effect of the measure:

With the current uncertainty of future Federal funding the long range effect would mean minimal growth by the agency unless: 1) docket fees are raised; 2) alternative funding sources are sought; or (3) further program restrictions are implemented.

*S. W. W. M. 3/20/86*  
*B 3-20-86*