

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 439** HLS 23RS 322

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 23, 2023	9:38 AM	Author: BRYANT
Dept./Agy.: Louisiana Commission on Law Enforcement		Analyst: Daniel Druilhet
Subject: Victims of Vehicular Homicide Fund		

FUNDS/FUNDING

RE INCREASE GF EX See Note

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Creates the Victims of Vehicular Homicide Fund

Current law requires the Crime Victims Reparations Board (CVRB) to take certain actions in the performance of its powers and duties. Proposed law amends current law and creates the Victims of Vehicular Homicide Act, which allows certain members of the victim's family to apply to the CVRB for a reparations award (of up to \$50,000 per claim for two victims and \$25,000 for one victim, in the aggregate, for all claims arising out of the same crime) for pecuniary loss for each death resulting from the offense of vehicular homicide (VH). Proposed law allows for procedural rules for applications submitted to and processed by the CVRB, specifically form, documentation, and confidentiality requirements. Proposed law provides that the Attorney General may institute a civil action for recovery against any person convicted of VH for all or any part of a reparations payment within 2 years after the date on which charges for VH are final. Proposed law imposes a sentence of imprisonment of not more than 1 year or a fine of no more than \$500 for fraudulent receipt of reparations funds. Proposed law mandates that the treasurer pay to the person named in the order of payment of reparations the amount stated within the order and receive all payments to the Victims of Vehicular Homicide Fund (VVHF) not to exceed \$500,000 per fiscal year. Proposed law mandates that all monies in the VVHF are invested in the same manner as SGF monies and that the VVHA will cease August 1, 2027.

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	SEE BELOW	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Annual Total						

EXPENDITURE EXPLANATION

Proposed law will likely result in a significant increase in statutory dedication expenditures in the Treasury as well as SGF expenditures in the Department of Justice. The LFO presumes that the proposed law will require an appropriation of SGF to provide initial funding for the VVHF. Expenses associated with this legislation are detailed below.

Attorney General

Proposed law will likely result in an increase in SGF expenditures in the Attorney General (AG), to the extent that the AG will be required to maintain awareness as to when judgments for vehicular homicide (VH) are made final and assume costs to file and litigate lawsuits for recovery of reparations payments. Proposed law provides discretionary authority to the AG to institute civil actions to recover payments for the Treasury, which is tasked with administering the VVHF. The AG has the authority to institute a civil action for recovery within two years after the date on which charges for VH are final, and the AG estimates that it will expend \$5,000 to maintain awareness as to when a judgment for VH is made final. The AG bases these expenditures on an assumption that there will be 15 cases of VH ending with a final judgment of conviction in a year. With its discretionary authority, the AG estimates that it will institute a civil action in 12 cases, and that filing suits for 12 cases to recover funds in parishes that have jurisdiction will require expenditures of \$4,000 for each case (12 x \$4,000 = \$48,000).
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REVENUE EXPLANATION

Proposed law will likely result in an indeterminable increase in Statutory Dedication revenue in the Treasury to the extent that payments are made to the VVHF. Proposed law allows the Treasury to receive payments from civil actions pursued by the AG for recovery of claims paid to members of victims' families for damages incurred as a result of vehicular homicide. Proposed law also allows the VVHF to be reimbursed in the event that damages are recovered from the offender or other third party in a related private civil action. The exact impact on Statutory Dedications revenue to the Treasury under proposed law is indeterminable because proceedings involving claims for reparations under the VVHA could take several years to collect, reimbursement to the VVHF could either occur in whole or in part, and the source of reimbursement could be either damages paid in a private civil action or in an action by the AG pursuing recovery of reparations payments.

Proposed law will likely result in an indeterminable increase in local revenues as a result of potential fines for conviction of procuring or counseling another person to procure reparations from the Victims of Vehicular Homicide Fund by any fraud. The exact fiscal impact of the passage of this legislation on local revenue is indeterminable because the fines that would be imposed on those convicted are optional, and the amount of the fines, if imposed, may vary.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux
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Interim Deputy Fiscal Officer

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CONTINUED EXPLANATION from page one:
[CONTINUED FROM PAGE 1 - EXPENDITURES]

Considering these estimates, the expenditures to maintain awareness of when a judgment for VH is made final (\$5,000) along with instituting 12 cases per year (\$48,000) to institute civil actions for recovery to the VVHF will result in an annual increase of \$53,000 in SGF expenditures in the AG with enactment of proposed law.

Department of Public Safety & Corrections - Corrections Services

Proposed law will likely result in an indeterminable increase in SGF expenditures in the Department of Public Safety and Corrections – Corrections Services (DPSC – CS) if a person is convicted of procuring or counseling another person to procure reparations from the Victims of Vehicular Homicide Fund by any fraud. The exact fiscal impact of the passage of this legislation is indeterminable, since it creates a new crime, and it is not known how many people will be convicted nor the length of the sentences assessed with those convictions as a result of its potential enactment.

SGF expenditures will increase by \$101.76 per offender per day to the extent that an offender is convicted and then subsequently housed in a state facility or \$26.39 per offender per day for an offender housed in a local facility. Since proposed law is a misdemeanor offense, the maximum fiscal impact per offender per offense is \$9,632.35 for an offender housed in a local facility (\$26.39 per offender per day x 365 days) and \$37,142.40 for an offender housed in a state facility (\$101.76 per offender per day x 365 days).

Louisiana Commission on Law Enforcement

Proposed law will not result in any fiscal impact to the Louisiana Commission on Law Enforcement (LCLE). Proposed law obligates the CVRB (under the administration of the LCLE) to accept and process applications and order payment of reparations for claims arising from pecuniary loss for each death resulting from the offense of vehicular homicide. LCLE anticipates that it will be able to assume responsibilities for accepting applications, processing applications, and issuing orders of payments for reparations using existing resources.

Treasury

Proposed law will likely result in an indeterminable increase in Statutory Dedication expenditures in the Treasury, as it creates a special fund (the Victims of Vehicular Homicide Fund) in the Treasury. The LFO presumes that an appropriation of SGF will be required to provide initial funding for the Victims of Vehicular Homicide Fund with enactment of proposed law. Proposed law creates the Victims of Vehicular Homicide Fund (VVHF) and mandates that the treasurer pay to the person named in the order of payment of reparations the amount stated within the order. Proposed law provides that claims shall be paid up to \$50,000 per claim for two victims and \$25,000 for one victim in the aggregate for all claims arising out of the same crime.

Creating a new statutory dedication within the state treasury will result in a marginal workload increase for the Department of Treasury, which can generally be absorbed within existing resources. However, to the extent other legislative instruments create new statutory dedications, there may be material additional costs associated with the aggregate effort to administer these funds. The Treasury performs fund accounting, financial reporting, banking and custodial functions for 436 special funds. When unable to absorb additional workload with existing resources, the Treasury anticipates it will be required to add one T.O. position at a total personnel services cost of approximately \$78,000, plus approximately \$2,450 for a one-time purchase of office equipment. These expenditures are assumed to be SGR in this fiscal note.

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House
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