

Legislative Analysis



EXTEND SUNSET FOR MAXIMUM TRAUMA SYSTEM FUNDING

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House Bill 5094 as introduced
Sponsor: Rep. Mary Whiteford
Committee: Appropriations
Complete to 9-14-21

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 5094 would amend the Crime Victim's Rights Services Act, under which the Crime Victim's Rights Fund is established. Until September 30, 2021, up to \$3.5 million per year may be allocated from the fund for the establishment and maintenance of a statewide trauma system. Beginning October 1, 2021, trauma system expenditures from the fund are capped at \$1,750,000 (50% of the maximum allowable) unless a higher amount can be shown to be reasonably proportional to crime victims' utilization of the statewide trauma system.

The bill would extend by four years the sunset date for the maximum allowable expenditure of \$3.5 million per year from the fund to be allocated to the statewide trauma system. Beginning October 1, 2025, the yearly cap would be reduced as described above.

The bill also would change "may" to "must" to require, rather than allow, the use of excess revenue in the fund for the statewide trauma system; would change "not more than \$3.5 million must be expended" to "may be expended"; and would remove obsolete FY 2014-15 one-time appropriation language.

The act establishes the fund and currently authorizes three allowable uses of fund money:

- First, for crime victim services.
- Second, amounts in excess of the necessary revenues for services may be used for crime victim compensation.
- Third, any additional excess revenue, up to \$3.5 million, that has not been used for victim compensation may be used for the statewide trauma system, with a 50% cap beginning October 1, 2021.

2010 PA 280, the act that expanded the allowable use of the fund to pay for the statewide trauma system, reduced the maximum allowable amount by 50% beginning October 1, 2014. Subsequent amendatory acts have postponed the reduction to the date currently in statute of October 1, 2021. As described above, the bill would change this date to October 1, 2025.

MCL 780.904

FISCAL IMPACT:

House Bill 5094 would allow for the continuation in FY 2021-22 of current fiscal year funding of \$3.5 million appropriated for the statewide trauma system in the Department of Health and Human Services budget. There is a sufficient balance in the Crime Victim's Rights Fund to continue the use of up to \$3.5 million for the statewide trauma system, in addition to funding priority crime victim services and compensation.

The balance in the Crime Victim's Rights Fund at the end of FY 2019-20 was \$26.9 million, and the estimated balance anticipated at FY 2020-21 year end is \$26.9 million, which includes current fiscal year estimated expenditures of \$22.2 million and estimated additional revenue of \$22.2 million.

Revenue for the fund comes from fees assessed on individuals convicted of felonies and misdemeanors.

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