



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 4674 (Substitute H-3 as reported without amendment)
House Bill 4675 (Substitute H-2 as reported without amendment)
Sponsor: Representative Bronna Kahle (H.B. 4674)
Representative Bradley Slagh (H.B. 4675)
House Committee: Rules and Competitiveness
Senate Committee: Judiciary and Public Safety

CONTENT

House Bill 4674 (H-3) would amend the crime victim's compensation Act to do the following:

- Modify the list of individuals eligible for an award under the Act.
- Modify the threshold for making a claim for lost earnings or support.
- Increase, from \$500 to \$4,000, the maximum emergency award allowed under the Act.
- Increase, from \$25,000 to \$45,000, the maximum aggregate award allowed under the Act per claimant.
- Prescribe certain requirements for an award for out-of-pocket loss.
- Modify provisions governing the amount of an award for lost earnings or support.
- Increase, from \$5,000 to \$8,000, the maximum award that could be made for funeral expenses.
- Delete provisions requiring the Crime Victims Services Commission to deny an award if it determined that a claimant will not suffer serious financial hardship as a result of the loss of earnings or support and the out-of-pocket expenses incurred as a result of the injury if he or she is not granted financial assistance.

House Bill 4675 (H-2) would amend the Act to do the following:

- Extend the time period in which a claimant must file a claim.
- Allow a claim to be filed by electronic means authorized by the Commission, if applicable.
- Delete certain notification requirements.
- Allow the Commission to inquire with the proper law enforcement authorities as part of an investigation of a claim filed with the Commission.
- Modify provisions requiring the Commission to not grant an award unless an investigation of the claim verifies certain facts.
- Modify provisions prescribing how an award must be paid.

Each bill would take effect 450 days after its enactment and would apply to claims submitted on or after its effective date.

MCL 18.351 et al. (H.B. 4674)
18.355 et al. (H.B. 4675)

Legislative Analyst: Stephen P. Jackson

FISCAL IMPACT

The bills would have an indeterminate negative fiscal impact on State government and likely no significant fiscal impact on local units of government.

House Bill 4674 (H-3) would expand the categories of individuals who would be eligible for compensation in the event of a crime. It also would revise the definitions of crime and personal physical injury to include a larger number of acts not included under current law and specify a greater number of expenses eligible as out-of-pocket losses. These changes would make an unknown number of individuals newly eligible to claim compensation from the Crime Victim's Rights Fund. In addition, the bill would increase the aggregate award amount limit from \$25,000 to \$45,000.

House Bill 4675 (H-2) also likely would result in an increase in the number of possible claimants as a result of the proposed expansion of the time period following a crime during which individuals could file a claim. It also would remove a requirement that the Crime Victim Services Commission delay awards until a criminal prosecution was included.

The bills could result in increased operational and administrative costs for the Commission if claims increased substantially. Some activity required under the bill, such as the creation of a filing form, likely would be covered by existing appropriations.

The overall fiscal impact of the bills would depend on the number of individuals who filed claims with the Commission and the award amounts the Commission deemed appropriate. In fiscal year 2020-21, revenue to the Crime Victim's Services Fund totaled \$13.4 million while expenditures equaled \$18.2 million, with an ending Fund balance of \$26.9 million.

Date Completed: 4-19-22

Fiscal Analyst: Elizabeth Raczkowski