FOR IMMEDIATE RELEASE
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AG PETERSON URGES CONGRESS TO ADOPT MEASURES TO EXPAND FUNDING FOR CRIME VICTIMS

All 56 State and Territorial AGs Call for Increased Funding and More Flexibility

Lincoln – Attorney General Peterson today joined a coalition of state and territorial attorneys general representing all 50 states, the District of Columbia and five U.S. territories urging Congress to adopt key changes to the Victims of Crime Act that provide critical financial support to victims of violent crimes and their families.

In a letter to House Speaker Nancy Pelosi, Senate Majority Leader Mitch McConnell, House Minority Leader Kevin McCarthy, Senate Minority Leader Charles Schumer and the House and Senate Judiciary Committees, the attorneys general call on Congress to adopt changes to the Crime Victims Fund, a national fund that supports state victims' services programs. The recommendations will stabilize the Fund’s finances and provide more flexibility to grantees who are providing services to victims and their families.

The coalition makes three recommendations to promote the sustainability of the Fund, and preserve access to programs and services:

The financial health of the Crime Victims Fund is at risk. In 2015, Congress increased the cap on distributions to the Fund, allowing 2.5 million more victims to receive support. According to the letter, while “deposits have sharply decreased in recent years due to a decline in the fines and penalties recouped from federal criminal cases, withdrawals have increased at a rapid pace.”

The coalition makes three recommendations to promote the sustainability of the Fund, and preserve access to programs and services:
• **Redirect fines and fees from corporate deferred and non-prosecution agreements to the Fund:** The Department of Justice increasingly uses deferred and non-prosecution agreements to resolve corporate misconduct. The AGs ask Congress to redirect these deposits to the Fund. In 2018 and 2019, recoveries resulting from these agreements were about $8 billion each year.

• **Increase the rate of federal reimbursement to states for victim compensation programs:** The Fund currently reimburses state programs that provide financial assistance to victims at a rate of 60 percent, the remainder usually being funded by fines and fees in state courts. The letter recommends Congress reimburse state programs at a rate of 75 percent.

• **Extend the amount of time VOCA funds can be spent:** VOCA requires recipients to spend grants within a four-year period. The coalition asks Congress to extend the period of funding so that state and local organizations can better plan and predict funding for long-term services.

Joining Nebraska in this Massachusetts and Montana-led letter are all state and territorial attorneys general. The National Association of Attorneys General (NAAG) played a key role in facilitating this letter.

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Please click the link to find the letter: [https://www.mass.gov/doc/voca-naag-letter/download](https://www.mass.gov/doc/voca-naag-letter/download)

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August 24, 2020

Hon. Nancy Pelosi               Hon. Mitch McConnell
Speaker                        Majority Leader
House of Representatives       United States Senate
Washington, DC 20515           Washington, DC 20510

Hon. Kevin McCarthy            Hon. Chuck Schumer
Minority Leader                Minority Leader
House of Representatives       United States Senate
Washington, DC 20515           Washington, DC 20510

Hon. Jerrold Nadler            Hon. Jim Jordan
Chairman                       Ranking Member
House Judiciary Committee      House Judiciary Committee
2138 Rayburn House Office Bldg. 2056 Rayburn House Office Bldg.
Washington, D.C. 20515         Washington, D.C. 20515

Hon. Lindsey Graham            Hon. Dianne Feinstein
Chairman                       Ranking Member
Senate Judiciary Committee     Senate Judiciary Committee
290 Russell Senate Office Building 331 Hart Senate Office Building
Washington, D.C. 20510         Washington, DC 20510

Dear Speaker Pelosi, Majority Leader McConnell, Minority Leader McCarthy, Minority Leader Schumer, Chairman Nadler, Chairman Graham, Ranking Member Jordan, and Ranking Member Feinstein:

On behalf of the undersigned state Attorneys General, we write to respectfully urge Congress to address the ongoing, declining balance of the Crime Victims Fund ("the Fund"). The Fund provides critical support and services to victims of crime across the country. As state Attorneys General, we are often the administrators of grant funding, through our state compensation programs or otherwise, financed directly from the Fund. In order to ensure the predictability and sustainability of these critical funds, change must be enacted to support our states’ ability to effectively serve victims and survivors of crime for years to come.

The Fund, established by the Victims of Crime Act of 1984 ("VOCA"), is the primary funding source for victim services in all 50 states and six U.S. territories. Deposits to the Fund originate from criminal fines, forfeited bail bonds, penalties and special assessments collected by U.S. Attorneys’ Offices, federal courts and the Federal Bureau of Prisons. Funding is derived from offenders convicted of federal crimes, and not from taxpayers.
Since its creation, the Fund has covered the expenses of essential direct services and support for victims and survivors in the aftermath of crime, including medical care, mental health counseling, lost wages, courtroom advocacy and temporary housing. The Fund also provides support for initiatives that benefit victims of crime, including federal, state and tribal victim service programs, crime victim compensation, discretionary grant awards, victim specialists in U.S. Attorneys’ and FBI offices and the federal victim notification system. Additionally, grants through the Fund are the only funding source available for services to all victims of crime.

The balance and financial health of the Fund is in jeopardy. As deposits have sharply decreased in recent years due to a decline in the fines and penalties recouped from federal criminal cases, withdrawals have increased at a rapid pace. In 2015, Congress increased the annual cap on distributions from the Fund, resulting in significant growth in the amount of services offered across the country. Nearly 2,500 new organizations received VOCA funding since 2015. In addition, more than 2.5 million new victims were served through VOCA assistance formula grants from 2015 to 2019.

We applaud Congress for expanding access to victim services. Yet, these important advances are at risk given the current downward trajectory of the Fund’s balance. Its balance is projected to reach a ten-year low by the end of 2021 unless specific changes are enacted to protect its bottom line. Any decrease in the funds available for distribution results in a decrease in the number of victims and survivors that are served as well as potential loss of essential staff for victim service programs.

In order to stabilize and maintain the Fund for use in the future, we respectfully request Congress amend VOCA in the following three ways:

Deposit all monetary penalties from deferred and non-prosecution agreements into the Crime Victims Fund.

Over the last decade, the Department of Justice has increasingly utilized deferred and non-prosecution agreements to resolve cases of corporate misconduct. These agreements bypass a traditional prosecution process and shift fines and penalties into the general treasury rather than the Fund. In 2018 and 2019, the total recoveries resulting from these agreements resulted in approximately $8 billion each year. Redirecting these deposits will provide increased funding to the Fund, which will allow for better predictability of state awards.

Increase the rate at which states are federally reimbursed for victim compensation programs to 75%.

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2 June 2020, The House of Representatives included language related to deferred and non-prosecution agreements in the HEROES Act.
The Fund supports state compensation programs, which provide direct reimbursement to or on behalf of crime victims for unexpected and often catastrophic expenses caused by violent crime. In order to supplement a state’s efforts to financially assist victims for crime-related out-of-pocket expenses, the Fund reimburses states 60% of spending in a fiscal year. Most states’ compensation programs are funded through fines and fees paid by offenders prosecuted in state courts. Recently, due to criminal justice reform initiatives along with court closures due to the COVID-19 pandemic, states are facing a significant decline in collections of these fines and fees, limiting their ability to support essential victim compensation eligible expenses. An increase in the reimbursement rate from the Fund to at least 75% will ensure each state has more money accessible to serve victims and survivors with much needed financial support.

Allow for additional years of spending or no-cost extensions for VOCA discretionary, assistance and compensation awards.

Current statutory limitations require that recipients of VOCA funds spend annual grants in a four-year period. To reduce reversions and provide better forecasting for programming, the statute should allow for longer periods to spend down grants and allow the Office for Victims of Crime to permit no-cost extensions to states. A longer award period allows administrators to better plan and predict funding awards and long-term services. In times of economic uncertainty, such as the COVID-19 pandemic, this is especially important as state budgets and other funding sources are significantly impacted. Additional time also allows for redirection of funds for emergency assistance without the threat of compromising traditional services.

Your support of the Crime Victims Fund is paramount to our responsibility as Attorneys General to protect the interests of victims. As such, we defer to you on the best vehicle to introduce the above changes. We do ask, however, that Congress make them a key priority and act upon all three swiftly.

Thank you for your attention and consideration of this matter.

Sincerely,

Maura Healey
Massachusetts Attorney General

Tim Fox
Montana Attorney General

Steve Marshall
Alabama Attorney General

Kevin G. Clarkson
Alaska Attorney General

Mitzie Jessop Taase
American Samoa Attorney General

Mark Brnovich
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Hawaii Attorney General

Kwame Raoul  
Illinois Attorney General

Tom Miller  
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Keith Ellison  
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Eric S. Schmitt  
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Aaron D. Ford  
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Gurbir S. Grewal  
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Wayne Stenehjem  
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Ellen F. Rosenblum  
Oregon Attorney General

Dana Nessel  
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Lynn Fitch  
Mississippi Attorney General

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Gordon MacDonald  
New Hampshire Attorney General

Hector Balderas  
New Mexico Attorney General

Josh Stein  
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Edward Manibusan  
Northern Mariana Islands Attorney General

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