Pending 41% Funding Cut Threatens Access to Support for Crime Victims

Which victims and what services does lowa give up on?

A pending 41% funding cut (\$700 m) in FY24 federal Victims of Crime Act (VOCA) funding threatens access to comprehensive support services for all crime victims and means an estimated 10-15,000 fewer victims could be served by Iowa agencies. Iowa's VOCA victim assistance grant is over half of what Iowa spends to provide victim support services. *Iowa's FY24 VOCA victim assistance grant will be \$5.4 million less than FY23* and the lowest level in over a decade.

Crime victims seeking support are being turned away or put on waiting lists *right now*. After years of inadequate funding at the state and federal level, a catastrophic 41% cut to lowa's largest source of funding will decimate the capacity of lowa's victim service provider network to effectively provide support. It will limit the type of support services available to all crime victims and will negatively impact the availability of services in rural areas and communities served by smaller agencies serving victims disproportionately impacted by violence.

To put this in perspective: consider that the 41% (\$5.4 m) <u>CUT</u> in federal funds to lowa is greater than the total amount of federal funding lowa receives from the Violence Against Women Act and the Family Violence Prevention and Services Act in most years and more than the amount of state funding lowa invests in victim services.

Congress must find a way to sustain FY24 VOCA funding at last year's level of \$1.9 billion to prevent a 41% (\$5.4 m) cut in federal victim assistance funding to lowa. The FY24 budget bills include only \$1.2 billion because the Crime Victim Fund (CVF) supporting the grants is so low. This urgent request is not about increasing funding over last year – it is about maintaining current funding levels. Legislation enacted in 2021 to sustain VOCA funding is working but it will take more time to sufficiently replenish the fund.

Impact on victims – fewer victims served, fewer services offered, fewer places providing services. Victim service providers are struggling to meet increasing demand for services after multiple years of funding cuts. Less funding means fewer victims can receive support because fewer staff available to provide services, it limits the type of services agencies can provide, and it limits where support services are available, e.g., it is costly to provide support in rural areas. <u>Click here</u> for a list of services currently provided by local agencies.

Crime victims rely on service providers to meet immediate needs, but post-crisis support services currently provided are essential to enhancing long-term stability. Assistance finding housing, getting jobs, and meeting basic needs, are the types of services most requested by victims- and the most staff intensive services to provide. Lack of funding limits agency capacity to provide 24/7 crisis response, counseling/support groups, and court accompaniment, but also threatens agency capacity to provide economic stabilization services victims tell us they need. This creates ripple effects negatively impacting communities because victims lacking long-term stability continue to need and seek services.

Nationwide VOCA *victim assistance* grants to states remain the largest and most impactful source of federal funds supporting state and local agencies providing direct support services to violent crime victims and in lowa they are the only dedicated funds supporting homicide victims. In addition to homicide and domestic and sexual violence victims, these funds support human trafficking victims; victim notification systems; victim specialists in county attorney, US Attorney, and law enforcement offices; lowa Legal Aid; trauma centers; mental health services to children & adult victims; etc.

Federal Budget: Victims of Crime Act (VOCA) Appropriations

- Federal FY22 VOCA: \$2.6 billion; Iowa victim assistance grant \$13.8 million*
- Federal FY23 VOCA: \$1.9 billion; Iowa victim assistance grant \$13.1 million*
- Federal FY24 VOCA pending: \$1.2 billion (\$700 m/approx. 41% cut from FY23)

What are federal VOCA grants to states? The Victims of Crime Act (VOCA) of 1984 created the Crime Victims Fund (CVF) to collect fines/penalties resulting from violations of federal law and use these funds -generated entirely with non-taxpayer revenues - to provide grants to states to support crime victims. Congress determines the amount of CVF money available for VOCA state formula grants and each year funds are approved in the Commerce, Justice, and Science Appropriations (budget) bill and administered by the U.S. Department of Justice. Each state receives a VOCA victim assistance grant (formula based on population) and a VOCA victim compensation grant (formula based on collections to state victim compensation funds). In Iowa, federal VOCA grants are administered by the Victim Assistance section in the Attorney General's office. VOCA victim assistance grant funds are added to state victim compensation programs that reimburse victims for crime-related costs. Funding cuts only threaten VOCA victim assistance grants, i.e., victim compensation grants use a different formula and are not directly impacted by VOCA cuts.

Why is this happening? From FY10 through FY14 the CVF collected an average of \$2 billion each year but dispersed only an average of \$700 million per year. At the request of states and service providers who were struggling to meet an increasing demand for services, Congress significantly raised the allocation cap (the amount released) in FY16 and for the next few years. This allowed lowa to dramatically expand victim access to comprehensive support services. However, these investments could not be sustained because deposits into the CVF dipped to historic lows due to a change in federal prosecution strategies, including a decrease in criminal prosecutions and an increase in use of deferred settlements and non-prosecution agreements. Although deferred settlements and non-prosecution agreements of large monetary penalties, since these were not counted as criminal prosecutions, they were not deposited into the CVF and were instead deposited into the general treasury.

Congress approved legislation known as "The VOCA Fix" with broad bi-partisan support, including unanimous support from Iowa's Congressional delegation. It was signed into law July 22, 2021. The law made a structural change to the VOCA statute directing fees and fines from violations of federal law resolved with deferred settlements and non-prosecution agreements be deposited into the CVF, i.e., in addition to fines/fees from criminal prosecutions. This critical change enables more funds to be available for crime victims, means the fund can replenish more quickly, and improves long-term stability of the CVF.

The VOCA Fix law is working but it will take more time to sufficiently replenish. Over \$1 billion has been deposited since the law was signed. In fact, without the passage of this law, the CVF would not have been able to sustain the FY23 release of VOCA grant funding to states. However, it will take more time for the CVF to sufficiently replenish. The law enables more funds to be available to crime victims and will help maintain a consistent source of funds in the future. The FY24 House and Senate budget bills could only allocate \$1.2 billion from the CVF because the fund is still too low- which would be a 41% cut from the \$1.9 billion allocated in FY23. We need Congress to find a way to prevent this catastrophic 40% cut.

*States do not receive VOCA grant awards in time to spend in the current Federal FY so lowa grant funds are allocated in the following State FY, e.g., Iowa's FFY22 award is allocated in SFY23, etc.