



U.S. Department of Justice

Office of Legislative Affairs

Office of the Assistant Attorney General

Washington, D.C. 20530

May 24, 2006

The Honorable Tom Coburn
Chairman
Subcommittee on Federal Financial Management,
Government Information, and International Security
Committee on Homeland Security and Governmental Affairs
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Please find enclosed responses to questions arising from the appearance of Assistant Attorney General Paul Corts before the Subcommittee on March 8, 2006, concerning the Crime Victims Fund and the fiscal year 2007 budget.

Thank you for the opportunity to present our views. Please do not hesitate to call upon us if we may be of additional assistance. The Office of Management and Budget has advised us that from the perspective of the Administration's program, there is no objection to submission of this letter.

Sincerely,

A handwritten signature in black ink that reads "William E. Moschella".

William E. Moschella
Assistant Attorney General

Enclosure

cc: The Honorable Thomas R. Carper
Ranking Minority Member

March 8, 2006

Hearing before
The Subcommittee on Federal Financial Management,
Government Information, and International Security
Committee on Homeland Security and Governmental Affairs
United States Senate

Concerning
The Crime Victims Fund and the Fiscal Year 2007 Budget

Responses of Paul Corts
Assistant Attorney General for Administration
Department of Justice

QUESTIONS SUBMITTED BY CHAIRMAN COBURN

QUESTION: During the question and answer part of your testimony, you mentioned that some numbers in the President's 2007 Budget documents concerning the Crime Victims Fund needed to be updated. It would benefit my subcommittee a great deal to receive an update that more accurately portrays the President's plan for rescinding the Crime Victims Fund.

ANSWER: The 2007 Budget was submitted before any significant collections for the Crime Victims Fund were realized. As of the end of March 2006, the Fund's receipts total \$425 million. Although it is difficult to project receipts for the fiscal year based on mid-year receipts, it is possible the Fund could end FY 2006 with a higher balance than anticipated in the FY 2007 Budget.

QUESTION: When I made the point that the Crime Victims Fund would be empty at the end of 2007 leaving nothing for 2008 disbursements, you replied that the Fund would not be empty but would have a \$625 million balance. According to the information on page 714 in the Appendix to the President's 2007 Budget, the tables clearly show on line 24.40 that the "unobligated balance, carried forward, end of year" 2007 is zero. The Budget does refer to a \$625 million amount, but it is the amount to be disbursed during 2007 and not the remaining balance available for 2008.

We know that the deposits into the Crime Victims Fund for one year are used to make disbursements the following year and that grant amounts must be calculated and awarded at the beginning of each fiscal year. The Administration's proposal plans to drain the fund in 2007, and my original question remains unanswered. I would like to know what the Administration plans to do when the Fund has been emptied, and it is time to award grants at the beginning of 2008. If the Administration desires to see the Crime Victims Fund

continue to operate, which I believe it does, then it is incumbent upon you to explain the source of funding for this program once it has been drained of all its resources.

ANSWER: The Administration's proposal is intended to preserve \$625 million in spending for crime victims programs while ending the budget gimmick that allows \$1.3 billion in balances to roll forward each year to be used as an offset for other spending. We certainly are willing to have some flexibility in working with the Congress to meet both of these objectives.

QUESTION: The Victims of Crime Act and legislative reports from Congress are explicit in their instructions for how the Crime Victims Fund is to operate. In order to make the proposed rescission, the law would either be broken or completely re-written. How is the Administration planning to resolve this problem? Is the President asking Congress to break its own laws, or does the President have a plan to introduce new authorizing language that would enable this and future raids into the Crime Victims Fund?

ANSWER: As normal business practice, the Office of Justice Programs uses receipts from the Crime Victims Fund in one year to fund program activities in the following year. It is the intent of the Administration to operate the fund as in previous years, as practicable. However, the authorizing legislation for the Crime Victims Fund does not require the Office of Justice Programs to make grants in this manner, and there is nothing to preclude it from making grants with funds that are collected in the same fiscal year the grants are made. Therefore, the rescission proposal does not contradict existing law and is like a rescission proposed to a regular discretionary grant program. Such rescissions are proposed throughout the budget to eliminate estimated accumulated balances in various federal programs.