

December 6, 2012

**SENATE BILL NO. 1173
(First Reprint)**

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Senate Bill No. 1173 (First Reprint) with my recommendations for reconsideration.

I support the sponsors' intent in putting forward legislation that seeks to assist victims of crime, and share the goal that government should take all appropriate steps to help victims recover. I recently signed into law a measure comprehensively enhancing crime victims' rights, which has been hailed by advocates as the most important piece of victims' rights legislation in New Jersey since the passage of the Victims' Rights Constitutional Amendment in 1991. I recognize, too, that even with the adoption of the most robust victim protection measures, all too often the suffering and loss endured by crime victims is not well understood by society. For this reason, I whole-heartedly support efforts aimed at assisting crime victims, and I will continue to fight to see that victims' rights are recognized and protected.

Despite this legislation's salutary goal, this bill, in its current form, creates an untenable restitution process that may ultimately prevent crime victims from receiving such restitution. The bill would direct that restitution ordered by a court for a specific victim be utilized for another purpose, namely to make payments to other victims under our crime victim compensation law. In particular, the bill would direct that

restitution funds that are currently held by the Department of Corrections while they attempt to notify the beneficiary identified in a court order instead be diverted to the Victims of Crime Compensation Office ("VCCO") if the rightful beneficiary does not claim those funds within two years. The bill directs the VCCO to utilize these funds to compensate other crime victims, but also would require it to meet restitution obligations to victims who are ultimately identified, without making any provision for how such restitution claims are to be funded.

This creates two issues. First, while the bill intends to augment funds made available to the VCCO, it does so in a way that could make funding for such claims unstable and difficult to predict. Currently, the funding of compensation claims is handled through the State budget process, and specifically the Annual Appropriations Act, a vehicle that allows for careful planning and forecasting, and is a product of negotiations between the Administration and legislative leadership. Second, by transferring these unclaimed funds to the VCCO and requiring that the funds be used to compensate other victims, the measure fails to provide a means to compensate those who eventually come forward to claim the funds that are due, but that have been paid to others. As a result, this may unintentionally negatively impact victims.

Therefore, I return this bill with my recommendation to transfer these unclaimed funds to the State Treasury's Unclaimed Property Administration, if the Department of Corrections is

unable to locate the person named in the court order as the recipient within two years. This agency is charged with the responsibility to return unclaimed property to the intended recipient, and the recipient's rights to the property are therefore never extinguished. This approach best ensures that these funds, ordered as restitution for victims but yet unclaimed, will remain available for these victims, while also ensuring that funding for victim compensation claims is predictable and secure by including it in the comprehensive budget planning process.

Accordingly, I herewith return Senate Bill No. 1173 (First Reprint) and recommend that it be amended as follows:

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| <u>Page 3, Section 1, Line 6:</u> | Delete " <u>Victims of Crime Compensation</u> " |
| <u>Page 3, Section 1, Lines 7-10:</u> | Delete in their entirety and insert "the Unclaimed Property Administration in the Department of the Treasury to be processed in accordance with subsection c. of R.S. 46:30B-74." |
| <u>Page 3, Section 1, Line 12:</u> | Delete " <u>Victims of Crime Compensation Office</u> " and insert "Unclaimed Property Administration in the Department of the Treasury" |
| <u>Page 3, Section 1, Line 14:</u> | Delete " <u>office</u> " and insert "Unclaimed Property Administration" |
| <u>Page 3, Section 1, Line 16:</u> | Delete " <u>office</u> " and insert "Unclaimed Property Administration" |

Page 3, Section 1, Line 16:

After "information" insert
", for appropriately
publishing notice"

Respectfully,

/s/ Chris Christie

Governor

[seal]

Attest:

/s/ Charles B. McKenna

Chief Counsel to the Governor