

2022 Seattle City Council Budget Action

Council Budget Action: Agenda

Tab	Action	Option	Version
FAS	005	C	001

Budget Action Title: Add \$110,000 GF to FAS and \$250,000 GF and 1.0 FTE senior grants and contracts specialist to HSD for a Victim Compensation Fund and community-based organizational support

Ongoing: Yes Has Budget Proviso: No

Has CIP Amendment: No Has Attachment: No

Primary Sponsor: Andrew Lewis

Council Members: Lisa Herbold, Tammy Morales, Dan Strauss

Staff Analyst: Asha Venkataraman

Council Bill or Resolution:

Date		Total	LH	TM	KS	AP	DJ	DS	AL	BC	LG
	Yes	0									
	No	0									
	Abstain	0									
	Absent	0									

Summary of Dollar Effect

See the following pages for detailed technical information

	2022 Increase (Decrease)	2023 Increase (Decrease)
General Fund		
General Fund Revenues	\$0	
General Fund Expenditures	\$360,000	
Net Balance Effect	\$(360,000)	
Total Budget Balance Effect	\$(360,000)	

Budget Action Description:

This Council Budget Action (CBA) would add \$110,000 GF to Finance and Administrative Services (FAS) to establish and staff a pilot Victim Compensation Fund and \$250,000 GF and 1.0 FTE senior grants and contracts specialist to the Human Services Department (HSD) for community-based organizations to conduct outreach and determine a long-term strategy regarding restitution and restorative justice.

FAS would administer a \$100,000 fund to compensate victims and receive \$10,000 for administrative support. HSD would receive: \$50,000 to contract with a community-based organization to conduct outreach to individuals who have suffered financial loss; \$145,000 for the community to build infrastructure and strategy for a long-term restorative response to harm that would live outside the criminal legal system, including consideration of how the fund would be housed in community; and \$55,000 to support a portion of the costs for nine months of 1.0 FTE senior grants and contracts

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specialist. The full cost for nine months of this position is \$92,500, and the remaining funding to support the position would be allocated in CBA HSD-022-B-001. This position would support new bodies of work for HSD's safe and thriving communities division, which are contained in this CBA and in CBA HSD-022-B-1.

Since 2020, the City Attorney's Office (LAW) has been participating in the Cities & Counties for Fine and Fee Justice (CCFJ) work group as part of Public Health - Seattle & King County's grant team. In recognition of the harm done by imposing restitution and legal fines and fees on individuals, the CCFJ working group recommended that LAW set up a victim compensation fund of about \$100,000 per year to reimburse individuals and small businesses who have suffered a financial loss. The recommendation also included a request for additional policy changes from LAW and the Seattle Municipal Court (SMC):

1. LAW will not pursue restitution requests where the complainant is a big business, insurance company, or self-insured entity.
2. Restitution requests should never prevent a person from having their case diverted with CHOOSE 180 or from being able to complete Community Court.
 - a. However, if LAW does impose a dollar threshold for pre-filing diversion or Community Court eligibility, (1) allow cases to be diverted or opted into Community Court (and decline to request restitution) if the amounts are (i) Under \$300 to an individual or (ii) Under \$1,000 to a small business; and
 - b. Ensure restitution requests from big businesses, insurance companies or self-insured entities never bar an individual from a diversion or Community Court opportunity.

The CCFJ work group engaged with the Community Task Force on Criminal Legal System Alignment ("Task Force"), who added additional considerations to CCFJ's analysis. The Task Force also recognized the harms of imposing restitution on individuals, acknowledging impacts on those who are low-income and get stuck in the criminal legal system because they cannot afford to pay, racial disproportionality, and barring individuals from participation in less harmful alternatives such as Community Court. The Task Force recommended a three-pronged approach to addressing the imposition of restitution.

First, the Task Force agreed that the City should create a \$100,000 fund, but emphasized that the support for the fund should come from divestment from the current criminal legal system. Also, the Task Force viewed the fund as administered by the City in the short-term, but only while the community is building out a longer-term strategy for the fund to move and remain within the community and outside both the criminal legal system and the City itself to decrease barriers to access. While the City administered the fund in the short-term, the Task Force recommended investing \$50,000 in a community-based organization that would have more capacity than the City to conduct outreach to parties who have incurred a financial obligation and could be eligible for compensation.

Second, the Task Force recommended investing \$200,000 to support the community in building capacity to convene and build out longer-term community infrastructure and strategy to provide restorative responses to harm. This work would include consideration of how to house the fund within the community as well as intentionally building out a community-based restorative response to support individuals experiencing harm without involving the police or the rest of the criminal legal system, given that the criminal legal system has caused harm, especially to Black and Indigenous communities and other communities of color (BIPOC).

Third, the Task Force emphasized policy changes that should occur after creation of the fund, which include ensuring that:

- Individuals are not barred from pre-filing diversion, Community Court, or other alternatives to the

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criminal legal system due to restitution requirements; and

- The fund cannot accept any reimbursement, and judges should be asked to stop imposing restitution requirements or requirements to reimburse the fund for restitution it pays.

In response to the issues raised by CCFJ and the Task Force, this CBA requests that LAW and SMC report back to the Public Safety and Human Services Committee, or its successor:

1. By April 1, 2022, if and how they plan to implement policy changes outlined above by the CCFJ and the Task Force, with the understanding that it is within judicial discretion to make decisions about restitution;
2. By July 1, 2022, the number of cases from 2018 through 2021 that would have been diverted but for victim restitution requirements; and
3. The impacts of having a Victim Compensation Fund on their workload and budget, including, but not limited to, the decrease in staffing for restitution hearings and the number and frequency of restitution hearings and report back to Council on their findings. The intent of tracking this information is to determine savings and efficiencies accrued from having such a fund and in the long-term, using those savings to support the fund itself. LAW and SMC should submit this information quarterly on April 1, 2022, July 1, 2022, September 30, 2022, and December 30, 2022.

The Council requests that LAW, the Office for Civil Rights, the capacity-building group, CCFJ members, and the Task Force participate in Council Central Staff-convened meetings to make recommendations for the Council's consideration before the end of the first quarter of 2022 regarding the parameters for eligibility and restitution amounts for victims of incidents that are under review or in pre-trial status as of April 1, 2022. The Council expects that FAS would be ready to receive the names of victims eligible for restitution and amounts of restitution starting April 1, 2022 and administer payments at that time.

Budget Action Transactions

#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BSL	Fund	Year	Revenue Amount	Expenditure Amount
1	Increase appropriation for Victim Compensation Fund and FAS staffing		0	0	FAS - FA000	FAS - BO-FA-CITYSVCS - City Services	00100 - General Fund	2022	\$0	\$110,000
2	Increase appropriation for a portion of the 9 month cost for a senior grants and contracts specialist		0	0	HSD - HS000	HSD - BO-HS-H4000 - Supporting Safe Communities	00100 - General Fund	2022	\$0	\$55,000
3	Increase appropriations for community-based outreach and capacity building		0	0	HSD - HS000	HSD - BO-HS-H4000 - Supporting Safe Communities	00100 - General Fund	2022	\$0	\$195,000
4	Pocket Adjustments	Grants&Contracts Spec,Sr	1	1	HSD - HS000	HSD - BO-HS-H4000 - Supporting Safe Communities	00100 - General Fund	2022	\$0	\$0