

## TESTIMONY BEFORE THE LITTLE HOOVER COMMISSION

Good Afternoon Chair Hancock and Commissioners. I would like to thank you for the opportunity to speak in support of Governor Brown's Government Reorganization Plan.

My name is Julie Nauman and I am the Executive Officer for the Victim Compensation and Government Claims Board and have served in this role since July 2008. VCGCB is comprised of a three-member board of directors. The board is created and acts under Government Code section 13901. Accordingly, the board membership is defined as:

- Secretary of State and Consumer Services
- California State Controller
- Public member appointed by the Governor

The Victim Compensation and Government Claims Board administer two primary programs, The Government Claims Program which was first established in 1911, provides an administrative resolution opportunity for those who have a claim against the State. The program is supported by fees and surcharges on each claim submitted against the state.

VCGCB also administers the State's Victim Compensation Program, charged with providing financial assistance to victims of violent crime as a payer of last resort. The program was established in 1965 as the nation's first victim compensation program and has maintained a high-level of victim service that continues to be a model nationwide. Since its inception, the program has provided over \$2 billion in financial support to victims of crime. Last year alone, the program provided over \$94 million in assistance and over 56,000 applications were received.

The CalVCP is funded through and manages, the State Restitution Fund. The program's revenues are generated from criminal offender restitution fines and a portion of the state penalty assessment. The program also receives funding from the Federal Victim of Crime Act which matches 60 percent of State funded expenditures. Annually, California receives approximately \$30 million.

VCGCB also administers the following functions:

- Erroneous Conviction Claims (Penal Code sec. 4900)
- Bid Protests
- California State Employee Charitable Campaign
- Setting the maximum rate for Legislative Per Diem
- Regulating the travel of Constitutional Officers and Members of the Judiciary

Currently, the Victim Compensation and Government Claims Board is part of the State and Consumer Services Agency. Under the Governor's Reorganization Plan, the board will fall under the management of the newly created Government Operations Agency.

I agree with and support the new alignment as a means to more efficiently deliver program services to the people of California. The Victim Compensation and Government Claims Board is a process driven organization that relies on efficiencies to manage the thousands of claims that come into our organization from both of our primary programs. As indicated in the Governor's proposal, this reorganization and grouping of departments better aligns the VCGCB's operations with those of similar agencies including the Department of General Services and the Franchise Tax Board. The reorganization of these departments better serves the public seeking to access the benefits of the VCP Program and the claims process for the Government Claims Program.

As the administering agency for claims made against the state, it makes sense for the program to be closely aligned with DGS in regards to the number of claims made for contractual disputes. Along with this alignment, the Government Claims Program handles a number of stale dated warrants that must be coordinated with FTB. Through well-developed coordinated efforts, efficiencies are created benefiting the public need.

Furthermore, the Victim Compensation Program, as a leader in providing victim services, is able to more effectively coordinate revenue collection from criminal offenders. A stronger coordinated effort with FTB to make victims whole will serve the victims of our State well and demonstrate even further why California is a leader in victim services.

In conclusion, I support this reorganization plan and believe the Board and the programs we manage will better serve the people of California. Thank you again for this opportunity. I am prepared to answer any questions you might have.