

VIOLENT CRIME REDUCTION TRUST FUND: AN OVERVIEW

David Teasley

INTRODUCTION

The Violent Crime Reduction Trust Fund (VCRTF) was established by the Violent Crime Control and Law Enforcement Act of 1994 (P.L. 103-332, Title 31; 42 U.S.C. 14211; 108 Stat. 2102).¹ As created, the fund authorized approximately \$30.2 billion in appropriations over 6 years, FY1995 through FY2000, to cover the costs of the 1994 crime act. Fund monies were to be comprised of projected savings realized by planned reductions in the federal payroll. Amounts could be appropriated from the fund only for purposes authorized by the act, and authorizations of appropriations not fully appropriated were extended indefinitely into succeeding fiscal years covered by the act. Each fiscal year, trust fund monies were usually located in three regular appropriations bills: the Commerce, Justice, State Act; the Labor, Health and Human Services, Education Act; and the Treasury, Postal Act.

The fund expired on September 30, 2000, through the 107th Congress may consider legislation to extend it. No funds were appropriated from the fund in FY2001, and the FY2002 Budget Appendix (p. 681) notes that "former VCRTF programs are now funded through general appropriations." On January 22, 2001, Senate Minority Leader Tom Daschle introduced the 21st Century Law Enforcement, Crime Prevention, and Victims Assistance Act (S. 16). The measure contains a provision (3401) to extend the Violent Crime Reduction Trust Fund, with a total authorization of \$25.6 billion over 4 years, FY2002 through FY2005.

¹ Debate continues as to whether the "trust fund" is appropriately named. On January 23, 2001, a GAO report, *Federal Trust and Other Earmarked Funds—Answers to Frequently Answered Questions* (GAO-01-199SP), described the Crime Trust Fund as follows: "Notwithstanding its name, because the fund is substantively a means of accounting for general fund appropriations and does not consist of dedicated receipts, it is classified by OMB [Office of Management and Budget] and [the Department of the] Treasury as a federal fund rather than a trust fund."

LEGISLATIVE HISTORY OF THE TRUST FUND

Every 2 years from 1984 to 1990, Congress enacted a major anti-crime bill.² During the 102nd Congress (1991-1992), both the House and the Senate passed omnibus crime billings, but the conference agreement failed three cloture motions in the Senate that kept it from a final vote. New initiatives to pass an omnibus crime bill in the 103rd Congress (1993-1994) culminated in the enactment of the Violent Crime Control and Law Enforcement Act of 1994 (P.L. 103-322).

On August 11, 1993, one week after House and Senate Republican leaders in the 103rd Congress announced their crime-fighting proposals, the Clinton Administration's anti-crime package, including a pledge to put 100,000 more officers on the beat, was introduced. Three months later, on November 3, 1993, the House approved four crime-related bills, including one containing a \$3.5 billion grant program to hire additional police officers. Later the same month, Senate Judiciary Chairman Joseph Biden proposed a 5-year crime bill, adding new purposes and funded by a large total of \$5.9 billion.

Funding a new crime bill proved to be problematic in the face of renewed congressional efforts to reduce the budget deficit. Also, congressional leaders were divided on how to apportion scarce financial resources for anti-crime activities. For example, Senator Biden wanted funding for grants to put more police on the beat, while Senator Orrin Hatch pressed for monies to build new prisons. On November 4, 1993, the Senate agreed to an amendment proposed by Senator Robert Byrd that would create a trust fund to provide monies for programs supported by both sides, and greatly increase the total funding for federal anti-crime efforts:

The modified amendment now before the Senate provides for the transfer of \$22.268 billion to the violent crime reduction trust fund. These resources are made possible by the estimated savings calculated by the Congressional Budget Office from fully implementing the reductions in federal employment contemplated in the National Performance Review.³

On November 19, 1993, the Senate passed H.R. 3355, amended with the text of S. 1607 in the nature of a substitute. This 51-title omnibus crime bill included language establishing the crime trust fund. On April 21, 1994, H.R. 4092, a 30-title omnibus crime bill, was passed by the House, amended, and its provisions were then incorporated into H.R.

² The Crime Control Act of 1984 (P.L. 98-473), the Anti-Drug Abuse Act of 1986 (P.L. 99-570), the Anti-Drug Abuse Act of 1988 (P.L. 100-690), and the Crime Control Act of 1990 (P.L. 101-647).

³ Statement of Senator Robert Byrd in support of Amendment No. 1103, *Congressional Record*, daily edition, v. 139, November 4, 1993, p. S15030. Though crediting Senator Byrd with "supplying the breakthrough" by proposing the fund, one reported noted that President Clinton had also suggested using a portion of the money saved from reductions in federal employment to fund anti-crime efforts. See Holly Idelson, "Voters, Weary of Violence, Prompt Crime Bill Action," *Congressional Quarterly*, v. 51, November 6, 1993, p. 3049. Another reported stated that the concept of creating the crime trust fund began 2 months earlier, when Vice President Al Gore introduced his "reinventing government" proposal to cut 252,000 federal positions by 1998. The original idea for creating a crime trust fund, according to this account, came from Senate Majority Leader George Mitchell and Senate Budget Committee Chairman Jim Sasser. They reportedly worked with Senate Appropriations Committee Chairman Robert Byrd to propose a plan to use these projected savings to fund the Senate crime bill. "Crime Fund Gathers Steam," *Crime Control Digest*, v. 28, March 14, 1994, p. 5. (Hereafter cited as Crime Fund Gathers Steam.)

3355. The House-passed version of H.R. 3355 did not include a provision establishing a trust fund.⁴ Conferees approved H.R. 3355 on August 21, 1994, and the bill was signed into law by the President on September 13, 1994.

HOW THE TRUST FUND WORKED

Under the provisions of the Violent Crime Control and Law Enforcement Act of 1994 (P.L. 103-322, Title 31), monies for the Violent Crime Reduction Trust Fund were to come from savings realized by eliminating over 250,000 federal jobs as required by the Federal Workforce Restructuring Act (P.L. 103-226; 108 Stat. 115-117).⁵ Amounts could be appropriated from the fund only for purposes authorized by the 1994 crime act, which placed a limit on the extent to which authorized appropriations from the fund may be spend (outlays).

Under the provisions of the 1994 crime act, the following sums were to be transferred into the trust fund, at the beginning of FY1995-FY2000:

FY1995: \$2.423 billion (with estimated outlays of \$730 million),
FY1996: \$4.287 billion (with estimated outlays of \$2.334 billion),
FY1997: \$5 billion (with estimated outlays of \$3.036 billion),
FY1998: \$5.5 billion (with estimated outlays of \$4.904 billion),
FY1999: \$6.5 billion (with estimated outlays of \$5.639 billion), and
FY2000: \$6.5 billion (with estimated outlays of \$6.225 billion).

Also, the act required across-the-board sequestration of spending from the trust fund, if outlays exceed stipulated outlay limits. Spending must be provided in the annual appropriations bills. Authorized levels not appropriated could not be used for other programs, and authorizations of appropriations not fully appropriated were extended indefinitely into succeeding fiscal years covered by the act, FY1995 through FY2000.

The act provided "transfer authority" to give the appropriations committees flexibility in allocating appropriations from the fund among the programs included within each of three specified functional categories: (1) state and local law enforcement, (2) federal law enforcement, and (3) prevention. Committees could transfer up to 10% of the amount authorized for any particular program to any other program in the same category, provided that the aggregate amount of authorizations transferred from any program did not exceed 10% of the program's total authorization under the fund. Also, transfer authority could not be used to increase total authorizations for any of the three categories for any fiscal year above the level authorized for that category, and no transfers between the three categories were permitted.

RECENT DEVELOPMENTS IN THE 107TH CONGRESS

The Crime Trust Fund expired on September 30, 2000. Congressional intent as to the extension of the trust fund remains unclear at this time. Within the 107th Congress, there appears to be some support in the Senate for an extension of the fund beyond FY2000. On January 22, 2001, Senate Minority Leader Tom Daschle introduced the 21st Century Law Enforcement, Crime Prevention, and Victims Assistance Act (S. 16). The measure contains a provision (3401) to extend the Violent Crime Reduction Trust Fund, with a total authorization of \$25.6 billion over 4 years, FY2002 through FY2005, as follows:

FY2002: \$6.169 billion (with estimated outlays of \$6.020 billion),
FY2003: \$6.316 billion (with estimated outlays of \$6.161 billion),
FY2004: \$6.458 billion (with estimated outlays of \$6.303 billion), and
FY2005: \$6.616 billion (with estimated outlays of \$6.452 billion).

No measure that would extend the fund beyond FY2000 has been introduced in the House.

Recent Debate over the Future of the Trust Fund

Policymakers and analysts have argued that popular federal criminal justice grant programs, and the trust fund itself, might be affected by the recent decline in the incidence of crime nationwide. The American Correctional Association's legislative liaison, James Turpin, reported in 1999 that many trust fund programs "have become essential to the operations of local, state and federal criminal justice programs, specifically in the corrections field."⁶ Although state and local governments have come to rely on federal monies from the trust fund for the continuance of their programs, he reported that the debate in favor of increased spending for criminal justice may face tough going with falling crime rates and record numbers of offenders in the nation's prisons and jails. Approval for extending the trust fund, he predicted in 1999, may hit hard times:

[T]he public does not understand or appreciate the costs of the current approach. At the same time, there are more and more people who are questioning the need and validity of diverting public resources into incarcerating so many people. Now, more than ever before, public safety must compete with such issues as education, social security, health care and national defense. No longer can we expect an uninterrupted flow of federal dollars into criminal justice.⁷

Looking at the legislative history of the trust fund since FY1995 offers few clues as to its future direction. Since trust fund monies were originally obtained from savings produced by the reduction of federal staff for *FY1994 through FY1999* under the Federal Workforce Restructuring Act (P.L. 103-226), its extension may reopen the question as to where new monies after FY2000 would be derived. Earlier criticisms about the way in which trust fund

⁶ James Turpin, "Crime Bill 2000: The Debate Begins," *Corrections Today*, v. 61, no. 4, July 1999, p. 22-23.

legislation created “a spending firewall,” by providing criminal justice appropriations first before distributing monies to other accounts, may also reappear.

Supporters of extending the trust fund might argue that it has proved to be flexible over time. Congress has amended 1994 crime act language repeatedly and has provided trust fund monies for new programs and initiatives. For example, the Local Law Enforcement Block Grants (LLEBG) program, established in FY1996, and the Juvenile Accountability Block Grants (JAIBG) program, established in FY1998, were added to the list of grant programs authorized to receive monies from the trust fund. In another case, the trust fund remains the source of appropriations for drug courts grants (Title V), despite the fact that the authorization establishing the 1994 crime act program was repealed during the 1996 appropriations process (P.L. 104-134, 114). Finally, Congress enacted the Anti-Terrorism Act of 1996 (P.L. 104-132), providing authorized appropriations of \$1.1 billion for anti-terrorism spending from the trust fund.

FY1995 THROUGH FY2000 APPROPRIATIONS FOR FUND PROGRAMS

Congress provided appropriations from the fund each fiscal year, FY1995 through FY2000. Congress appropriated a total of \$2.377 billion in FY1995, \$4.085 billion in FY1996, \$4.863 billion in FY1997, \$5.5 billion in FY1998, \$5.8 billion in FY1999, and \$4.5 billion in FY2000. In each of these years, except for FY1998, appropriations were below the amounts authorized by the 1994 crime act.

The funding history of VCRTF programs has been affected by various congressional activities, including rescissions and the establishment of new fund programs. For example, Congress approved FY1995 cuts from the fund in the FY1995 Emergency Supplemental Appropriations and Rescissions Act (P.L. 104-19).

Under provisions of the Omnibus Consolidated Rescissions and Appropriations Act, FY1996 (P.L. 104-134), Congress approved the establishment of the Local Law Enforcement Block Grant program (LLEBG), based on a modified version of the program as outlined in the House-passed bill, H.R. 728. Though the President requested \$1.9 billion for the Community Oriented Policing grant program (COPS) in FY1996, final total fund appropriations for COPS and LLEBG were \$1.4 billion and \$503 million, respectively. For FY1997 through FY1999, the COPS program continued to receive \$1.4 billion in appropriations each year, while funding for the LLEBG program rose to a total of \$523 million each year. In FY2000, the COPS program received \$45 million in fund monies, while the LLEBG program received no monies from the fund. Congress approved from direct FY2000 appropriations \$550 million for the COPS program and \$53 million for LLEBG.

Again, Congress approved the Commerce, Justice, State Appropriations Act, FY1998 (P.L. 105-119), containing provisions to establish the Juvenile Accountability Incentive Block Grant program (JAIBG). Receiving \$250 million from the fund each year, FY1998 through FY2000, the program is based on a modified version of the program as outlined in H.R. 3, a bill passed in the House during the 105th Congress, first session.

Congress enacted the Omnibus Consolidated and Emergency Supplemental Appropriations Act, FY1999 (P.L. 105-277), containing the Drug-Free Prisons and Jails Act

⁷ *Ibid.*

of 1998 (Division D, Title I, Subtitle B). The measure established within the Department of Justice a new substance abuse treatment grant program to aid inmates in prisons and jails, with an authorization from the fund for FY 1999 (\$30 million) and FY2000 (\$20 million)

**Table 1. Violent Crime Reduction Trust Fund Programs:
FY1995 through FY2000 Appropriations**
(in millions of dollars)

Program	FY1995 enacted	FY1996 enacted	FY1997 enacted	FY1998 enacted	FY1999 enacted	FY2000 enacted*
Department of Justice						
General Administration						
Salaries and Expenses	17.40	0	0	0	0	0
Administrative Review & Appeals	0	47.78	48.00	59.25	59.25	50.36
Subtotal: General Administration	17.40	47.78	48.00	59.25	59.25	50.36
Legal Activities						
General	4.60	7.59	7.75	7.97	8.16	147.93
U.S. Attorneys	6.80	30.00	43.88	62.83	80.70	0
U.S. Marshals Service	0	25.00	25.00	25.55	25.55	209.62
Subtotal: Legal Activities	11.40	62.59	76.63	96.35	114.41	357.55
Federal Bureau of Investigation	0	218.30	169.00	179.12	223.36	752.85
Drug Enforcement Administration	0	60.00	220.00	403.54	405.00	343.25
Immigration and Naturalization Service (INS)	255.20	316.20	500.00	608.21	842.49	1,267.22
Federal Prison System	0	13.50	25.22	26.14	26.50	22.52
Office of Justice Programs and the COPS Program^a						
Violence Against Women Grants (VAWA) ^b	26.00	174.50	196.50	270.75	282.75	283.75
Byrne State and Local Block Grants (Discretionary)	—	—	—	0	0	52.00

Program	FY1995 enacted	FY1996 enacted	FY1997 enacted	FY1998 enacted	FY1999 enacted	FY2000 enacted*
Byrne State and Local Block Grants (Formula)	450.00	147.00	199.00	42.50	0	500.00
Local Law Enforcement Block Grants (LLEBG) ^e	—	503.00 ^d	523.00 ^f	523.00 ^g	523.00 ^h	0
Community Oriented Policing Grants (COPS) ^e	1,300.00	1,400.00 ^e	1,400.00	1,400.00	1,400.00	45.00
Police Corps (COPS)	0	(10.00) ^e	20.00	30.00	30.00	0
Police Scholarship Program (COPS)	0	0	0	0	0	0
Police Recruitment Program (COPS)	0	0	0	0	0	0
Drug Courts Grants	11.90	(18.00) ^d	30.00	30.00	40.00	40.00
Juvenile Accountability Incentive Block Grant Program (JAIBG) ⁱ	—	—	—	250.00	250.00	250.00
Boys and Girls Clubs	—	(11.00) ^d	(20.00) ^f	(20.00) ^g	(40.00) ^h	0
D.C. Police	—	(15.00) ^d	0	0	0	0
Upgrade Criminal History Records	100.00	25.00	50.00	45.00	45.00	0
State Prison Grants	24.50	617.50	670.00	720.50	720.50	0
State Criminal Alien Assistance	130.00	300.00	330.00	420.00	420.00	0
Indian Tribal Courts Program Grants	—	—	—	—	5.00	5.00
State Prison Drug Treatment	0	27.00	30.00	63.00	63.00	63.00

Program	FY1995 enacted	FY1996 enacted	FY1997 enacted	FY1998 enacted	FY1999 enacted	FY2000 enacted*
Youthful Offender Incarceration	0	0	0	0	0	0
Crime Prevention Grants	0	0	0	0	0	0
Model Intensive Prevention Grants	0	0	0	0	0	0
Assistance for Delinquent and At-Risk Youth	0	0	0	0	0	0
Rural Law Enforcement	0	0	0	0	0	0
DNA Identification Grants	—	3.00	1.00	12.50	15.00	0
Other crime control programs ^j	0	10.60	6.65	5.15	5.70	5.70
Subtotal: Office of Justice Programs and the COPS program ^a	2,042.40	3,207.60	3,456.15	3,812.40	3,799.95	1,239.45
Total: Justice Department	2,326.40	3,925.97	4,495.00	5,185.00	5,470.96	4,033.21
State Justice Institute						
Equal Justice for Women in Courts (VAWA)	0	0	0	0	0	0
Total: State Justice Institute	0	0	0	0	0	0
Ounce of Prevention Council ^k	1.50	0	0	0	0	0
Judiciary						
Total: Judiciary	0	30.00	30.00	40.00	41.04	182.79
Department of the Treasury						
Treasury Department Offices	2.40	0	18.30	0	0	0

Program	FY1995 enacted	FY1996 enacted	FY1997 enacted	FY1998 enacted	FY1999 enacted	FY2000 enacted*
Office of National Drug Control Policy ¹	—	—	13.11	23.20	2.50	0
Interagency Crime and Law Enforcement	—	—	—	—	24.00	14.82
Financial Crimes Enforcement Network	2.70	0	1.00	1.00	1.40	1.86
Bureau of Alcohol, Tobacco, and Firearms (BATF)	7.00	21.01	36.60	19.42	3.00	27.92
BATF: Gang Resistance Education and Training (GREAT)	9.00	7.20	8.00	10.00	13.00	13.00
U.S. Customs Service	4.00	25.69	0	60.65	65.47	61.00
IRS: Tax Law Enforcement	7.00	0	0	0	0	0
U.S. Secret Service	6.60	21.60	20.00	15.73	22.63	4.20
Federal Law Enforcement Training Center (FLETC)	0	1.01	0	1.00	0	9.20
Total: Department of the Treasury	38.70	76.51	97.00	131.00	132.00	132.00
Department of Health and Human Services (HHS)						
Rape Prevention and Education (VAWA)	0	28.54	35.00	45.00	45.00	45.00
Domestic Violence Community Demonstrations (VAWA)	0	3.00	6.00	6.00	6.00	6.00
Crime Victim Study (VAWA)	0	0.10	0	0	0	0
Community Schools Youth Services	10.00	0	0	0	0	0

Program	FY1995 enacted	FY1996 enacted	FY1997 enacted	FY1998 enacted	FY1999 enacted	FY2000 enacted*
National Community Economic Partnership	0	0	0	0	0	0
Runaway Youth Prevention (VAWA)	0	5.56	8.00	15.00	15.00	15.00
Domestic Violence Hotline (VAWA)	1.00	0.40	1.20	1.20	1.20	2.00
Battered Women's Shelters (VAWA)	0	15.00	10.80	76.80	88.80	84.00
Youth Educ. Demonstration Grants (VAWA)	0	0.40	0	0	0	0
Total: Department of Health and Human Services	11.00	53.00	61.00	144.00	156.00	152.00
Department of Education						
Family and Community Endeavor Schools	0	0	0	0	0	0
Total: Department of Education	0	0	0	0	0	0
Department of Housing and Urban Development						
Local Partnership Act	0	0	0	0	0	0
Total: Department of Housing and Urban Development	0	0	0	0	0	0
Department of the Interior						
Crime Prevention in National Parks (VAWA)	0	0	0	0	0	0
Crime Prevention in Public Parks (VAWA)	0	0	0	0	0	0

Program	FY1995 enacted	FY1996 enacted	FY1997 enacted	FY1998 enacted	FY1999 enacted	FY2000 enacted*
Urban and At-Risk Youth Grants	0	0	0	0	0	0
Total: Department of the Interior	0	0	0	0	0	0
Department of Transportation						
Crime Prevention in Public Transportation (VAWA)	0	0	0	0	0	0
Total: Department of Transportation	0	0	0	0	0	0
GRAND TOTAL:	2,377.60	4,085.48	4,863.00	5,500.00	5,800.00	4,500.00

Source: For FY2000 totals, see the Consolidated Appropriations Act for FY2000 (P.L. 106-113), including appropriations for the Commerce, Justice, State Act, and the Labor, HHS, Education Act, and the Treasury and General Government Appropriations Act, FY2000 (P.L. 106-58). Also see the tables provided in the *Congressional Record*, September 15, 1999, v. 145, no. 145, p. H8341-8344 (Treasury totals); November 17, 1999, no. 163, p. H12426-H12491 (HHS totals); and November 18, 1999, no. 164, p. H12776-H12786. For FY1999 totals, see the Omnibus Consolidated and Emergency Supplemental Appropriations Act (P.L. 105-277).

Note: Detail may not add to totals due to rounding.

* These totals do not include the 0.38% rescission for selected programs under FY2000 appropriations.

* The Office of Justice Programs and the COPS Office are separate entities within the Department of Justice. They are combined in this table for purposes of comparison.

^b Within the Department of Justice (DOJ), Violence Against Women grants (VAWA) total \$283.75 million for the Office of Justice Programs. Although the U.S. Attorney's Office received \$850,000 in VAWA funds for federal victim's counselors in FY1998, the office received no funding for this program in FY1999 and FY2000. The grand total for VAWA funding in FY2000 is \$435.75 million, comprised by \$283.75 million in DOJ funding and \$152 million appropriated for the Department of Health and Human Services's VAWA activities. For more information on the VAWA program, see: CRS Report RS20195, *Violence Against Women: Federal Funding and Recent Developments*, by Leslie Gladstone.

^c Under provisions of the Omnibus Consolidated Rescissions and Appropriations Act, FY1996 (P.L. 104-134), Congress approved the establishment of the Local Law Enforcement Block Grant program (LLEBG), based on a modified version of the program as outlined in the House-passed bill, H.R. 728.

^d Totals provided in parentheses are for earmarks from related fund accounts.

ⁱ Under the Commerce, Justice, State Appropriations Act, FY1998 (P.L. 105-119), Congress approved the establishment of the Juvenile Accountability Incentive Block Grant program (JAIBG),

based on a modified version of the program as outlined in the House-passed bill, H.R. 3. For FY1998 through FY2000, JAIBG received \$250 million each year.

^j FY1996 through FY2000 totals for the category of "Other" for the Office of Justice Programs include:

- (1) Motor Vehicle Theft Identification (FY1996: \$750,000, FY1997: \$500,000, FY1998: \$750,000, FY1999: \$1.3 million, and FY2000: \$1.3 million);
- (2) Law Enforcement Family Support programs (\$1 million each year, FY1996 through FY1998; FY1999: \$1.5 million, and FY2000: \$1.5 million);
- (3) Missing Alzheimer's Patient program (\$900,000 each year, FY1996 through FY2000); and
- (4) Senior Citizens Against Marketing Scams (FY1996: \$2 million, FY1998: \$2.5 million, FY1999: \$2 million and FY2000: \$2 million).

In addition, the FY1996 total included \$9 million for training and technical automation, \$1 million for gang investigation, and \$200,000 for fighting tuberculosis in prisons.

^k Funding for the Ounce of Prevention Council was provided under the Office of Justice Programs, Department of Justice, in FY1995. In this table, FY1995 totals for the Council are provided separately from those for the Department of Justice and the Office of Justice Programs. Congress appropriated \$1.5 million for the Council in FY1996 and in FY1997, but it provided no monies from the fund for this account. Congress provided no appropriations for the Ounce of Prevention Council from FY1998 through FY2000.

^l The Office of National Drug Control Policy (ONDCP) received no VCRTF funding in FY2000. FY1997 through FY1999 VCRTF funding for ONDCP is located under Title I, Department of the Treasury, rather than under the section for ONDCP in Title III, Executive Office of the President. For FY1999, the \$2.5 million total includes funds for Model State Drug Law Conferences (\$1 million) and for High Intensity Drug Trafficking Areas (\$1.5 million). For FY1998, the \$23.2 million total includes:

- (1) \$13 million for the Counterdrug Technology Assessment Center (CTAC);
- (2) \$6 million for the Drug-Free Prison Pilot Project;
- (3) \$1.2 million for Model State Drug Law Conferences; and
- (4) \$3 million for High Intensity Drug Trafficking Areas (HIDTAs).

For FY1997, the total of \$13.11 million was designated for HIDTAs.