

PUBLIC PROTECTION CABINET
Office of Claims and Appeals
Crime Victims Compensation Board
(Amended at ARRS Committee)

802 KAR 3:060. Crime victim compensation offender debt collections.

RELATES TO: KRS 13B.100, 49.010, 49.020, 49.260 - 49.490, 216B.015, 216B.400

STATUTORY AUTHORITY: KRS 44.030, 45.237, 45.238, 45.241, 49.010(4)(b), 49.020(7)(a), 49.300(1), 49.470

CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: KRS 49.010, 49.020, and 49.300 authorize the board to promulgate, amend, and repeal suitable administrative regulations to carry out the provisions and purposes of the board's statutory authority. KRS 49.470 establishes that payment of claims by the board creates a debt owed to the state by a person found to have committed a criminal act for any payment of benefits to or on behalf of a victim under KRS 49.270 to 49.490. This administrative regulation establishes the procedures for collection of payments from offenders after awards have been made by the board to the victims of their crimes.

Section 1. Notice of Debt.

(1) If the offender is known, the board staff shall first determine whether the criminal matter has yet been reduced to judgment.

(a) If the matter remains pending, the board shall communicate with the prosecutorial agency handling the criminal prosecution and request that the board be listed as a recipient of a restitution order as part of the final judgment entered by the court.

(b) If the matter has already been prosecuted to judgment, the board shall contact the prosecutorial agency to explore if a restitution order could be entered or the judgment amended to allow for the inclusion of the board as a recipient of restitution in the amount paid by the board to the victim or the claimant.

(c) If the board is listed as a recipient of restitution in a final judgment or court order, the board shall notify the court, the prosecutorial agency, the Department of Corrections, or the Division of Probation and Parole if the offender fails to remit payments to the board as ordered by the court.

(d) Notice shall also be provided to the offender and his counsel of record in the criminal action wherein the court-imposed restitution.

(2) After locating the offender, a first notice of debt letter shall be sent to the offender notifying the offender concerning the indebtedness to the board. The letter shall include language about appeal rights.

(a) If the offender appeals the debt after receiving the notice of debt letter, the executive director of the Office of Claims and Appeals shall review the offender's appeal and the documentation for the underlying claim and issue a recommended order to the board recommending adjudication of the offender's appeal. The board shall render a decision on the offender's appeal at its next meeting, at which the offender shall have the opportunity to appear and be heard.

(b) Following consideration of the appeal, the board shall issue a final order adjudicating the offender's appeal. If the board denies the appeal, it shall resume efforts to collect the debt.

Section 2. Payment Agreements.

(1) The offender may be offered the option to enter into a payment agreement to pay the indebtedness on a monthly basis.

- (a) Offenders who are incarcerated may enter into a payment agreement. The minimum payment shall be \$10.00 per month.
 - (b) If an incarcerated offender refuses to enter into a payment agreement, a Notice of Intercept shall be sent to the Department of Corrections, which shall remit to the board fifty (50) percent of all state wages earned by the inmate on a monthly basis until the debt is paid in full.
 - (c) If an incarcerated offender enters into a payment agreement and subsequently fails to make monthly payments, the board shall issue a Notice of Intercept to the Department of Corrections, which shall remit to the board fifty (50) percent of all state wages earned by the inmate on a monthly basis until the debt is paid in full.
- (2) Offenders who have been released or who were not subject to incarceration may enter into a payment agreement.
- (a) The minimum monthly payment shall be twenty-five (25) dollars.
 - (b) If a released offender refuses to enter into a payment agreement, the debt shall be referred to the Department of Revenue for collection as described in Section 3 of this administrative regulation.
- (3) If an offender, whether or not incarcerated, fails to make payments as required in the payment agreement and is intercepted or has a collection action initiated, the offender may only revive the monthly payment agreement upon a showing of good cause why the offender failed to make the previous required payments.
- (a) Good cause shall be determined by the executive director of the Office of Claims and Appeals.
 - (b) The executive director in determining whether good cause exists to allow a monthly payment agreement to be revived shall consider:
 - 1. Any extenuating circumstances articulated by the offender related to the offender's failure to make required payments;
 - 2. Any changes in the offender's employment or wages;
 - 3. Any modification of the offender's risk assessment or housing level by the correctional facility that could impact their ability to make payments on the debt; and
 - 4. Any evidence of the offender's failure to receive notice of the debt owed.

Section 3. Forced Collection.

- (1) If an offender who is not incarcerated fails to make monthly payments after establishment of a payment agreement, the debt shall be referred to the Department of Revenue for collection.
- (2) Payments received shall be credited to the offender's account. The debt shall remain collectable until paid in full or the offender is determined to be deceased.
 - (a) If an offender dies while the debt is in collections or the offender is in default on a payment agreement, or otherwise is indebted to the board, the board may seek payment for the amount due from the estate of the offender.
 - (b) A subrogation lien in favor of the board may be filed in an offender's probate case or in a civil action if it has been filed against the offender by the claimant.
 - (c) The board may employ any legal means to collect the debt from an offender, including initiating a civil action against the offender.

(802 KAR 003:060. 51 Ky.R. 1620, 1945; eff. 9-2-2025.)

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