

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 88** SLS 13RS 451
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.: **W/ PROP SEN FLOOR AMD**
 Sub. Bill For.:

Date: May 13, 2013 8:17 AM	Author: BROOME
Dept./Agy.: Department of Children and Family Services	Analyst: Patrice Thomas
Subject: Human Trafficking Victims and Safe Harboring of Victims	

SEX OFFENSES EG INCREASE GF EX See Note Page 1 of 2
 Provides relative to victims of human trafficking. (gov sig)

Proposed law provides that proceeds from the public sale or auction of forfeited property of any person convicted of trafficking of children for sexual purposes shall be applied first to restitution to the victim and then as follows: (1) 25% to seizing agency; (2) 25% to prosecuting agency; and (3) 50% to newly created Sexually Exploited Children's Special Fund. Proposed law requires mandatory monetary assessment of \$2,000. Proposed law requires the Peace Officers Training Council (POST) Council to provide mandatory training to law enforcement agencies. Proposed law provides that the Dept. of Children & Family Services (DCFS) and Dept. of Health & Hospitals (DHH) to develop a plan for delivery of services to victims. Proposed law authorizes Office of Juvenile Justice (OJJ) to operate "safe houses" for victims. Proposed law provides that victims have a civil cause of action against the perpetrator in district court.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Local Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Annual Total						

REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

EXPENDITURE EXPLANATION

This proposed legislation is anticipated to result in a net increase of state general fund and statutory dedication expenditures as well as local expenditures; however the exact fiscal impact of this legislation is indeterminable.

Department of Children and Family Services

This proposed legislation may result in an indeterminable increase on expenditures in the Department of Children and Family Services (DCFS). The proposed legislation requires DCFS along with the Department of Health and Hospitals (DHH) to develop a statewide service plan for the delivery of services to victims of human trafficking. The department has indicated that development of a statewide service plan has no fiscal impact on expenditures. However, if more victims of human trafficking are identified as a result of developing a statewide service plan, DCFS anticipates services to these victims will be available through the foster care and family service programs. Any new or increased utilization in foster care services will increase costs within the DCFS by an indeterminable amount since foster care is funded 60% Title IV-E Federal funds and 40% state general fund at an average cost of \$25,000 per child (\$10,000 SGF and \$15,000 Federal). Based on a 2008 report, the department projects no more than 75 victims will be referred services.

Department of Health and Hospitals

This proposed legislation may result in an indeterminable increase on expenditures in the Department of Health and Hospitals (DHH). The proposed legislation requires DCFS in conjunction with DHH to develop a service plan for victims of human trafficking. DHH anticipates treatment and services to victims of human trafficking to be available through the Louisiana Behavioral Health Partnerships (LBHP) and the Coordinated System of Care (CSoC) networks. Any new or increased utilization in children's services will increase costs within the LBHP by an indeterminable amount since children's services are reimbursed through traditional fee-for-service Medicaid. These costs will depend on the number of children utilizing certain services. For example, the more intensive CSoC services cost an average of \$2,200-\$2,500 per child to prevent out-of-home placement.

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REVENUE EXPLANATION

This proposed legislation creates the Sexually Exploited Children's Special Fund in the state treasury. This fund will receive monies from mandatory assessments on any person convicted of an offense involving trafficking of children (\$2,000 per perpetrator) as well as proceeds from the public sale or auction of the person's forfeited property. Monies in the fund shall be used by DCFS to provide services and grants to sexually exploited children. The Legislative Fiscal Office cannot anticipate the amount of funding that may be deposited into the fund or appropriated out of the fund in future fiscal years.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}	<input checked="" type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}	<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	

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CONTINUED EXPLANATION from page one:
EXPENDITURE EXPLANATION (continued)

Office of Juvenile Justice

The proposed legislation may result in an indeterminable increase in state general fund expenditures in the Office of Juvenile Justice (OJJ). To the extent funding is available, this proposed legislation provides that OJJ may operate one or more safe houses within the community for sexually exploited children. Also, the proposed legislation requires OJJ to develop a statewide protocol and work with court intake officers to ensure services for sexually exploited children once involved in pretrial diversion for prostitution now being diverted to families in need of services (FINS) proceedings.

Louisiana Commission on Law Enforcement

This proposed legislation is anticipated to result in a \$76,000 state general fund increase within the Louisiana Commission on Law Enforcement (LCLE). The legislation requires the Peace Officer Standards and Training Council (POST) Council to provide mandatory training for law enforcement agencies in addressing human trafficking. To meet the requirements of this legislation, LCLE has indicated they will issue a request for proposal (RFP) on behalf of the POST Council to seek technical and professional assistance with the development of the training curriculum. The cost of developing the training curriculum is indeterminable at this time. In addition, LCLE has indicated additional staffing needs of one Criminal Justice Peace Police 3 position with a \$70,000 salary and related benefits as well as \$3,000 for travel and \$3,000 for operating supplies (printing course materials).

Department of Public Safety

The Department of Public Safety has indicated the proposed law will require 300 hours of overtime for the Information Services Section at \$32 per hour (\$32 x 300 hours = \$9,600) plus Medicare expenses of \$139 (\$9,600 x 1.45%), for a total expenditure of \$9,739. The legislation will require programming and database modifications performed by an IT Applications Programmer Analyst 2 and an IT Applications Manager 2. This overtime work will complete the following tasks: development of additional reports, forms, database tables, electronic notification, and fields with the JETS and TREC applications used within the Office of Juvenile Justice (OJJ). The Legislative Fiscal Office believes that additional IT work associated with this legislation will be incremental in nature, and that the department can potentially accomplish these tasks utilizing existing resources and budget authority.

Treasurer

This proposed legislation creates the Sexually Exploited Children's Special Fund in the state treasury. The Legislative Fiscal Office anticipates a minimum workload increase associated with the creation and reporting requirement of the Sexually Exploited Children's Special Fund in the state treasury. However, the treasurer has noted that if the number of special and administrative funds increases significantly during the 2013 Regular Session this may cause a workload increase.

Judicial and Local

This proposed legislation is anticipated to increase state general fund expenditures; however the exact fiscal impact of this legislation of courts is indeterminable. This legislation provides for civil suits that may be initiated by the victims of human trafficking against the perpetrator. Judicial workload and attendance (presence of judges, magistrates, clerks, bailiffs, counsel, etc.) costs as associated with increases in civil cases to the courts is indeterminable because the number of civil cases that may result from this legislation cannot be anticipated. Lastly, this legislation adds sexually exploited child as a grounds for entry of juveniles and their families into FINS proceedings. Therefore, the of FINS grounds increases from 10 grounds to 11 grounds. In FY 13, the total means of financing for informal FINS proceedings in 42 courts is \$1.9 M including administrative costs.

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<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input checked="" type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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