

LEGISLATIVE FISCAL OFFICE

Fiscal Note



Fiscal Note On: **SB 88** SLS 13RS 451
 Bill Text Version: **RE-REENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 20, 2013 5:08 PM	Author: BROOME
Dept./Agy.: Department of Children and Family Services	Analyst: Patrice Thomas
Subject: Human Trafficking Victims and Safe Harboring of Victims	

SEX OFFENSES RR SEE FISC NOTE GF EX 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 Exploited Children’s Special Fund. Proposed law requires mandatory monetary assessment of \$2,000 against the convicted perpetrator. 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.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

EXPENDITURE EXPLANATION

Any new or increased utilization within the Department of Children and Family Services, Department of Health and Hospitals, Office of Juvenile Justice as well as district and local courts as a result of this proposed legislation may increase SGF, federal and local expenditures in future fiscal years. To the extent that funds are deposited into the Exploited Children’s Special Fund and appropriated by the legislature to the specific departments, this proposed legislation is anticipated to increase statutory dedication expenditures in future fiscal years. The potential impact to various entities is reflected below:

Department of Children and Family Services

This proposed legislation may result in an indeterminable increase in 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

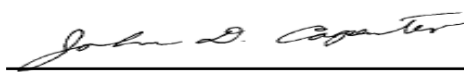
This proposed legislation may result in an indeterminable increase in expenditures in the Department of Health and Hospitals (DHH). DHH anticipates treatment and services to victims of human trafficking to be available through the Louisiana Behavioral Health Partnerships (LBHP) and the Coordinated System 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 type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}	<input 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}	


John D. Carpenter
 Legislative Fiscal Officer

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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. The department projects no more than 5 victims will be referred services at an average cost of \$135 per day for non-secure care.

Department of Public Safety

The Department of Public Safety has indicated the proposed law may 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). If any additional IT work associate with this legislation is required, the Legislative Fiscal Office believes it 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 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 Courts

This proposed legislation may 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.

Senate

Dual Referral Rules

House

- 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
- 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}
- 6.8(F) >= \$500,000 Annual Fiscal Cost {S}
- 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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Legislative Fiscal Officer