

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 1025** HLS 14RS 12

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: June 5, 2014 9:44 AM	Author: ABRAMSON
Dept./Agy.: DCFS/LCLE/Corrections	Analyst: Stephanie C. Blanchard
Subject: Human Trafficking	

CRIMINAL/VICTIMS

EN INCREASE GF EX See Note

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Provides relative to human trafficking, trafficking of children for sexual purposes, and commercial sexual exploitation

Present law provides for the crime of human trafficking, trafficking of children for sexual purposes, and other offenses involving commercial sexual exploitation, and provides for services, restitution, and reparations to victims of these offenses. Relative to minor victims of trafficking of children for sexual purposes, present law provides for an affirmative defense to prosecution for any offense committed by a minor as a direct result of being trafficked. Provides for the creation of the Exploited Children's Special Fund and provides and administration of monies in the fund. Proposed law creates the crime of unlawful purchase of commercial sexually exploited children and provides for penalties. Expands present law crimes of human trafficking and trafficking of children for sexual purposes. Provides for the forfeiture of certain property used in the commission of certain offenses involving commercial sexual exploitation and provides for the deposit of monies realized from the sale of such property into the Exploited Children's Special Fund. Amends the purpose for use of monies in the Exploited Children's Special Fund to include an appropriation, up to 50% if the fund, to the Louisiana **(CONTINUED ON PAGE 2)**

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Annual Total						

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

EXPENDITURE EXPLANATION

Any new or increased utilization within the Louisiana Commission on Law Enforcement, Department of Children and Family Services, and Department of Corrections as well as district attorneys 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:

Louisiana Commission on Law Enforcement (LCLE)

The proposed legislation requires the Peace Officer Standards and Training (POST) Council to develop and conduct a training course for Louisiana law enforcement officers on the subject of investigating and preventing human trafficking of children for sexual purposes. The design and development of a training curriculum for Human Trafficking would be contracted on behalf of the POST Council. An RFP would be formulated to seek technical and professional assistance with the development of the curriculum. The cost of a professionally developed curriculum is unknown and the curriculum can only be implemented to the extent funds are made available for such purpose. To accomplish the purposes of the legislation, the POST Council estimates that a professional staff person will be required to oversee the development and **(CONTINUED ON PAGE 2)**

REVENUE EXPLANATION

This bill provides the proceeds generated from the forfeiture of property utilized in the new criminal offenses contained in the bill be deposited into the Sexually Exploited Children's Special Fund. Pursuant to Act 429 of the 2013 RLS, this fund already receives monies from mandatory assessments on any person convicted of an offense involving trafficking of children (\$2,000 per perpetrator) as well as proceeds from other public sales or auctions of the person's forfeited property. Current law provides for monies in the fund shall be used by DCFS to provide services and grants to sexually exploited children. This bill adds another allowable use of the fund for training expenses (discussed above) of the LCLE. 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 as a result of adding this additional use.

Note: The FY 13 ending year fund balance of this fund was \$0.

Any revenue generated through the imposition of fines created by this legislation would accrue to local government entities.

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|--|----------------------------|--------------|--|
| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & 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} |

Evan Brasseaux
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Staff Director

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CONTINUED EXPLANATION from page one:

Continued Explanation of Purpose on Page one:

Commission of Law enforcement and the Administration of Criminal Justice for the purpose of providing training to law enforcement on human trafficking of children for sexual purposes. Requires the Council on Peace Officer Standards and Training to provide a training for law enforcement agencies in addressing human trafficking. Authorizes the district attorney to establish a diversion program for defendants engaged in the purchase of sexual activity and provides relative to monies collected from the programs. With regard to certain adult trafficking victims referred to DCFS, requires DCFS to refer the person to the appropriate department, agency, or entity to provide the person certain services. Expands the definition of "racketeering activity". Each department or agency involved in the prevention of child sexual exploitation as provided in this Act shall utilize all means necessary to maximize the use of federal funds and all other non-state source means of financing available to support the activities.

Continued Expenditure Explanation on Page one:

implementation of this program with a salary range of \$70,000-\$75,000, including related benefits. The professional staff person would be responsible for soliciting input into the design and the execution of the training plan. In addition, office expenses (print course materials, etc) in the amount of \$3,000 and statewide travel expenses (statewide travel to coordinate training) will be incurred annually. There are approximately 22,000 active full-time peace officers statewide, and another 20,000 or so part-time and reserve officers.

Note: HB 1 includes \$250,000 and one position for this purpose in the event this legislation is enacted into law.

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). If more victims of human trafficking are identified, 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 75% Title IV-E Federal funds and 25% state general fund at an average cost of \$25,000 per child (\$6,000 SGF and \$19,000 Federal). To the extent revenues are collected in the Sexually Exploited Children's Special Fund, these resources may be utilized in lieu of SGF.

Department of Corrections

The proposed legislation may result in an indeterminable increase in state general fund expenditures as it provides a vast list of additional requirements, expansions, amendments, and clarifications to present law regarding crimes of human trafficking, trafficking of children for sexual purposes and other offenses involving commercial sexual exploitation. The exact fiscal impact of the passage of this legislation is indeterminable, since it is not known how many individuals will be convicted of these crimes. However, any offender sentenced to the custody of the Department of Public Safety and Corrections increases expenditures by \$24.39 per day per offender in local facilities. Therefore, the cost to the state would be \$8,902 annually (\$24.39 per day, per offender x 365 days) for any offender convicted as a result of the proposed legislation.

To the extent that offenders are housed in state facilities, the cost per day, per offender is \$52.51.

Some provisions of the proposed legislation are a misdemeanor; therefore, these offenders are not sentenced to the Department of Public Safety and Corrections. Local law enforcement agencies may realize an indeterminable increase in expenditures associated with prison costs. The cost increase will depend on the number of persons convicted, the minimum sentence an offender serves, and the cost per day for a local law enforcement agency to incarcerate an offender.

According to the Department of Corrections, there are currently 3 offenders incarcerated for human trafficking with an average sentence imposed of 9 years. In 2013, there was 1 admission with an average sentence imposed of 5 years. There has only been 1 release for this crime and that was in 2012. The average time served was 3 months. There are no offenders in custody for trafficking of children for sexual purposes or commercial sexual exploitation.

District Attorney

This proposed legislation may increase local fund expenditures; however the exact fiscal impact of this legislation of courts is indeterminable. This legislation authorizes the district attorney to establish a diversion program for defendants engaged in the purchase of sexual activity and provide for the monies collected from such programs.

Senate	<u>Dual Referral Rules</u>	House	<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}			<input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}
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