

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6857**

**BILL NUMBER:** HB 1178

**NOTE PREPARED:** Jan 1, 2024

**BILL AMENDED:**

**SUBJECT:** Human Trafficking Awareness Training.

**FIRST AUTHOR:** Rep. Haggard

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**  **GENERAL**  
 **DEDICATED**  
 **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill requires an owner or operator of a public lodging establishment (establishment) to:

- (1) provide human trafficking awareness training for employees;
- (2) post human trafficking awareness signage; and
- (3) implement procedures for the reporting of suspected human trafficking and a human trafficking prevention policy.

It provides that an owner, operator, or employee of an establishment that complies in good faith with the requirements is not liable for an act or omission arising out of or related to human trafficking committed by a third party unless the owner, operator, or employee knowingly and willfully assists in the commission of human trafficking.

The bill requires the Department of Homeland Security (DHS) to make a list available on the department's website of approved human trafficking awareness training courses. It requires the DHS to maintain a list of establishments that are not in compliance with the requirements. It requires a state agency to ensure that lodging for an employee of the state agency is booked in an establishment that is not on the list. It also requires the DHS to adopt rules to implement the requirements, including rules establishing a schedule of fines for a violation.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** *Department of Homeland Security (DHS):* The bill will increase workload and expenditures for DHS to adopt rules to implement the requirements for a public lodging

establishment, a fine schedule for violations of the requirements, provide a list of approved human trafficking awareness courses on their website, and maintaining a list of establishments not in compliance with the requirements and sharing the list with other state agencies. Adopting rules, creating a fine schedule, and providing the list of approved courses are within the agency's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels. However, depending on the rules adopted by DHS, personnel may need to be shifted from other DHS resources or an additional personnel may need to be hired to implement the rules adopted and maintain the list of public lodging establishments regarding human trafficking awareness training.

*Lodging of Employee:* The bill requires state agencies to review the list of establishments when looking to lodge an employee to ensure that they are not staying at an establishment that is on the list. This provision is expected to have minimal impact to workload and expenditures for state agencies.

**Explanation of State Revenues:** *Fines for Violations:* The state General Fund may see an increase in revenue depending on the amount of violations and the fine schedule created by DHS. The impact is indeterminate but likely to be small.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** All.

**Local Agencies Affected:**

**Information Sources:**

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