

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

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**FISCAL IMPACT STATEMENT**

**LS 6650**

**BILL NUMBER:** HB 1200

**NOTE PREPARED:** Apr 5, 2021

**BILL AMENDED:** Apr 1, 2021

**SUBJECT:** Human Trafficking.

**FIRST AUTHOR:** Rep. McNamara

**FIRST SPONSOR:** Sen. Crider

**BILL STATUS:** 2<sup>nd</sup> Reading - 2<sup>nd</sup> House

**FUNDS AFFECTED:** ☒ **GENERAL**  
☐ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill has the following provisions:

- A. *"Protected Person"* – It modifies the definition of "protected person" for purposes of the admission of a statement or videotape of an individual who is less than 14 years of age at the time of the offense but less than 18 years of age at the time of trial.
- B. *Human Trafficking Crimes* – It removes the requirement that money paid for a human trafficking victim or for an act performed by a human trafficking victim be paid to a third party, and specifies that a person commits the offense if the person knows or reasonably should know that the victim is a human trafficking victim. It increases the penalty if the person knows or reasonably should know that the human trafficking victim is less than 18 years of age. It specifies that consent by the human trafficking victim is not a defense to a prosecution.
- C. *Reporting Investigations* – It requires law enforcement agencies to report human trafficking investigations to the Attorney General within 30 days after an investigation begins.

**Effective Date:** July 1, 2021.

**Explanation of State Expenditures:** *Human Trafficking Crimes* – This provision should cause a minimal increase in DOC's offender population since these types of crimes are infrequently prosecuted at the state level. [Between FY 2014 and FY 2020, 17 persons have been convicted and sentenced for human trafficking as the most serious crime for which the person was convicted.]

Under current law, a person commits human trafficking only if the person pays or offers to pay a third party for an act by a human trafficking victim. As proposed, more persons could be prosecuted for Level 5 felonies under this section if a person either offers, agrees or actually pays either a third party or the actual human trafficking victim for an act by a human trafficking victim.

A second provision in this bill increases the criminal penalty from a Level 5 felony to a Level 4 felony if a the person knew or reasonably knew that the human trafficking victim is younger than 18 years of age. State expenditures would increase if an offender is subject to a longer sentence, as shown in the following table.

|         | Minimum | Advisory | Maximum  |
|---------|---------|----------|----------|
| Level 4 | 2 years | 6 years  | 12 years |
| Level 5 | 1 years | 3 years  | 6 years  |

The entire sentence for Level 4 and Level 5 felonies may be suspended and the person placed on either probation or community corrections. If no time is suspended, the offender can receive good-time credit of 25% and educational credit time and, after adjusting for credit time, released from prison and placed on parole.

*Reporting Investigations* – Under current law, the Office of the Attorney General has the power to assist law enforcement agencies in the investigation and prosecution of an alleged violations of human trafficking.

*Additional Information* – Longer sentences increase the DOC population which increases costs to DOC. The average expenditure to house an adult offender in a DOC facility was \$21,551 annually, or \$59 daily, during FY 2020. (This does not include the cost of new construction.)

If offenders can be housed in existing facilities with no additional staff, the marginal cost for medical care, food, and clothing is estimated at \$3,524 annually, or \$9.66 daily, per prisoner. These marginal cost estimates are based on contractual agreements with food and medical vendors and projections based on prior years for clothing and hygiene.

The estimated average cost of housing a juvenile in a state juvenile facility was \$89,998 annually, or \$246.40 per day, in FY 2020. The marginal cost for juvenile facilities was \$3,969 annually or \$10.87 daily.

**Explanation of State Revenues:** There would be no change in state revenue because criminal fines and court fees are the same for all felonies.

**Explanation of Local Expenditures:** *"Protected Person"* – Courts should be able to implement this provision with existing resources. Under current law and practice, the courts may only provide certain accommodations of using closed circuit televisions and video tape for testifying to victims of sex crimes, battery, kidnapping and confinement, incest, neglect, or human trafficking who are younger than 14 *at the time of trial*. This provision would allow victims who were younger than 14 *at the time of the crime* and now younger than 18 *at the time of trial* to have these same accommodations.

*Human Trafficking Crimes* – Persons who have been charged with, convicted, and sentenced for a Level 4 felony will generally be held in a county jail prior to trial for a longer period of time than persons who are

convicted and sentenced for a Level 5 felony.

The average cost per day is approximately \$54 based on the per diem payments reported by U.S. Marshals to house federal prisoners in 16 county jails across Indiana during federal FY 2017.

*Reporting Investigations* – Law enforcement agencies should be able to prepare these reports with existing resources.

**Explanation of Local Revenues:** There would be no change in revenues because court fees are the same for all felonies.

**State Agencies Affected:** Department of Correction; Attorney General.

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:** U.S. Department of Justice Marshals Service; Department of Correction; Abstracts of Judgment, Indiana Supreme Court.

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