

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



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

<b>Date:</b> April 30, 2013 8:59 AM	<b>Author:</b> BROOME
<b>Dept./Agy.:</b> Department of Children and Family Services	<b>Analyst:</b> Patrice Thomas
<b>Subject:</b> Human Trafficking Victims and Safe Harboring of Victims	

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

Proposed law provides that a child under the age of 18 suspected of or charged with prostitution, prostitution by massage, message, sexual conduct prohibited or a crime against nature by solicitation shall be presumed that the child is a victim of child sex trafficking and should be treated as a child in need of care pursuant to the Children's Code. 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 for delivery of services to victims. Proposed law authorizes DCFS to operate "safe houses" for victims. Proposed law provides that victims have a civil cause of action 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	<b>\$0</b>
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Local Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
<b>Annual Total</b>						

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

**EXPENDITURE EXPLANATION**

This proposed legislation is anticipated to result in a net increase of state general fund, statutory dedication, and Federal fund 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 is projected to result in a \$1,314,715 increase in state general fund expenditures within the Department of Children and Family Services (DCFS) in FY 14 and approximately \$2.2 M in subsequent fiscal years. 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. Also, the proposed legislation requires DCFS to provide safe houses within the community for sexually exploited children.

Information provided by DCFS indicates that a statewide service plan, coordinating the delivery of services (such as therapeutic group homes and non-medical group homes), and working with families in need of services (FINS) intake officers increases the workload in the foster care program and the family services program that will necessitate 9 additional positions with salaries and related benefits of \$478,869. The positions are 6 Child Welfare Specialist 3; 1 Child Welfare Specialist 4; 1 Child Welfare Specialist 6; and 1 Administrative Coordinator 3. Total costs are in the table below.

	FY 14	FY 15
Personnel (9 positions)	\$ 478,869	\$ 597,628
Travel	\$ 6,624	\$ 8,832
Operating Services	\$ 13,021	\$ 19,800
Supplies	\$ 6,750	\$ 9,450
Other Charges -Training	\$ 55,200	\$ 0
Other Charges - Board Rate	\$ 726,916	\$1,603,182
IAT - Telecommunications	\$ 6,075	\$ 8,100
Equipment	\$ 21,260	\$ 0
<b>TOTAL</b>	<b>\$1,314,715</b>	<b>\$2,246,992</b>

**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 of any person convicted of an offense involving trafficking of children 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}	

*John D. Carpenter*  
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**Legislative Fiscal Officer**

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**CONTINUED EXPLANATION from page one:**  
**EXPENDITURE EXPLANATION (continued)**

**Department of Health and Hospitals**

This proposed legislation is anticipated to 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.

**Louisiana Commission on Law Enforcement**

This proposed legislation is anticipated to result in a minimum increase of \$76,000 in state general fund 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 may result in an increase in state general fund expenditures; however the exact fiscal impact of this legislation of courts, district attorneys, law enforcement and corrections is indeterminable. Judicial workload and attendance (presence of judges, magistrates, clerks, bailiffs, counsel, etc.) costs as associated with increases in criminal penalty cases of this legislation is indeterminable. In addition, this legislation provides for civil suits that may be initiated by the victims of human trafficking against the perpetrator. The workload and attendance cost 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 from entry of juveniles and their families into the families in need of services (FINS) process. Therefore, the of FINS grounds increases from 10 grounds to 11 grounds.

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<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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