

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 1930 - SB 2517**

February 16, 2018

**SUMMARY OF BILL:** Punishes promoting prostitution as trafficking a person for a commercial sex act if the victim has an intellectual disability.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – \$172,300 Incarceration\***

Assumptions:

- Tennessee Code Annotated § 39-13-515 prohibits a person from promoting prostitution. Promoting prostitution is a class E felony. Promoting prostitution is punished as trafficking if the promotion involves a minor.
- The proposed legislation would punish promoting prostitution as trafficking if the promotion involves a person with an intellectual disability.
- Trafficking is a class B felony unless the victim is under 15 years of age or the offense occurs within 1,000 feet of a school, public library, recreational center, or public park, in which case it is a class A felony.
- Statistics from the Department of Correction (DOC) show an average of 6.5 admissions per year for promoting prostitution over the last 10 years.
- The proposed legislation will result in one admission every two years being punished as a class B felony trafficking offense and one admission every four years being punished as a class A felony trafficking offense.
- Population growth and recidivism will not impact these admissions.
- According to the DOC, the average operating cost per offender per day for calendar year 2018 is \$71.08.
- The average time served for a class E felony is 1.31 years. The average time served for a class B felony is 6.39 years. The proposed legislation will result in one admission every two years serving an additional 5.08 years (6.39 – 1.31).
- The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on one offender every two years serving 5.08 additional years (1,855.47 days) resulting in an annualized cost of \$65,944 [(\$71.08 x 1,855.47 days) / 2].
- The average time served for a class E felony is 1.31 years. The average time served for a class A felony is 17.69 years. The proposed legislation will result in one admission every four years serving an additional 16.38 years (17.69 – 1.31).
- The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based

on one offender every four years serving 16.38 additional years (5,982.8 days) resulting in an annualized cost of \$106,314 [(\$71.08 x 5,982.8 days) / 4].

- The total increase in state incarceration costs is \$172,258 (\$65,944 + \$106,314).
- The proposed legislation will not create any additional cases for the courts, public defenders, or district attorneys. Any impact to their operations can be accommodated within existing resources.

*\*Tennessee Code Annotated § 9-4-210 requires an appropriation from recurring revenues for the estimated operation cost of any law enacted after July 1, 1986 that results in a net increase in periods of imprisonment in state facilities. The amount appropriated shall be based upon the highest cost of the next 10 years.*

### **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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