

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6320-01
Bill No.: HB 2422
Subject: Crimes and Punishment; Victims of Crime; Internet and E-Mail
Type: Original
Date: March 2, 2018

Bill Summary: This proposal creates the Human Trafficking and Child Exploitation Prevention Act.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue	Could exceed (\$79,077)	Could exceed (\$86,641)	Could exceed (\$87,545)
Total Estimated Net Effect on General Revenue	Could exceed (\$79,077)	Could exceed (\$86,641)	Could exceed (\$87,545)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Human Trafficking and Child Exploitation Fund	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 FTE

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

In a revised response, officials from the **Office of the Attorney General (AGO)** estimate the need for at least one additional FTE Assistant Attorney General II to potentially litigate matters where distributors fail to block obscene material or block access to a prohibited website. Due to the unknown quantity of litigation that may arise from this proposal, the AGO may seek additional appropriations if litigation exceeds the capacity of the previously mentioned investigator and AAG II.

Officials from the **Department of Corrections, Office of the State Public Defender, the Office of the State Treasurer, the Department of Revenue, the Office of Prosecution Services, and the Department of Public Safety - Missouri Highway Patrol** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Office of the State Courts Administrator** state there may be some impact, but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
GENERAL REVENUE FUND			
<u>Transfer Out</u> - potential for appropriation to the Human Trafficking and Child Exploitation Fund §589.1012.1	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Costs</u> - AGO			
Personal Service (1 FTE)	(\$42,083)	(\$51,005)	(\$51,515)
Fringe Benefits	(\$21,489)	(\$25,936)	(\$26,088)
Expense & Equipment	<u>(\$15,505)</u>	<u>(\$9,700)</u>	<u>(\$9,942)</u>
<u>Total Costs</u> - AGO	(\$79,077)	(\$86,641)	(\$87,545)
FTE Change - AGO	1 FTE	1 FTE	1 FTE
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>Could exceed</u> <u>(\$79,077)</u>	<u>Could exceed</u> <u>(\$86,641)</u>	<u>Could exceed</u> <u>(\$87,545)</u>
Estimated Net FTE Change for General Revenue Fund	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2019 (10 Mo.)	FY 2020	FY 2021
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**HUMAN TRAFFICKING AND
 CHILD EXPLOITATION
 PREVENTION FUND**

<u>Transfer In</u> - potential appropriation from General Revenue	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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<u>Revenue</u> - potential gifts, grants, donations and bequests	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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<u>Revenue</u> - §§589.1000 - 589.1014 - fines and/or damages awarded to the fund	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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ESTIMATED NET EFFECT TO THE HUMAN TRAFFICKING AND CHILD EXPLOITATION PREVENTION FUND	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

Small businesses that would qualify as “distributors” in this proposal could be impacted.

FISCAL DESCRIPTION

This bill establishes the "Human Trafficking and Child Exploitation Prevention Act," which puts a duty on distributors of "obscene material" or "revenge pornography," both defined in the bill, to provide specific blocking software to restrict access to certain material. The bill allows the Attorney General or prosecuting attorney to seek injunctive relief against a distributor that allows access to content or a website in violation of the provisions of the bill. A distributor that knowingly violates these provisions shall be guilty of a misdemeanor and be punished by

FISCAL DESCRIPTION (continued)

imprisonment of less than one year or by a fine of up to \$500 for each violation. This bill specifies the circumstances under which a distributor shall deactivate the blocking software. The bill creates the "Human Trafficking And Child Exploitation Prevention Fund," which shall include appropriated money, gifts, grants, donations, bequests, and money collected under the provisions of this bill.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Attorney General
Office of Prosecution Services
Office of the State Public Defender
Office of the State Courts Administrator
Department of Corrections
Missouri Highway Patrol
Office of the State Treasurer
Office of Administration - Budget and Planning
Department of Revenue

Ross Strobe



Acting Director
March 2, 2018