

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3338H.01I
 Bill No.: HB 1706
 Subject: Professional Registration and Licensing; Sexual Offenses; Health Care
 Professionals; Social Workers; Nurses; Crimes and Punishment; Victims of Crime
 Type: Original
 Date: January 11, 2024

Bill Summary: This proposal modifies provisions relating to human trafficking.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	Fully Implemented (FY 2028)
General Revenue	Could exceed (\$157,506)	Could exceed (\$75,276)	Could exceed (\$76,481)	Could exceed (\$243,425)
Total Estimated Net Effect on General Revenue	Could exceed (\$157,506)	Could exceed (\$75,276)	Could exceed (\$76,481)	Could exceed (\$243,425)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	Fully Implemented (FY 2028)
Human Trafficking and Sexual Exploitation Fund*	\$0	\$0	\$0	\$0
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0	\$0

*Revenue and disbursements net to zero. Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	Fully Implemented (FY 2028)
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	Fully Implemented (FY 2028)
General Revenue	1 FTE	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 FTE	1 FTE

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	Fully Implemented (FY 2028)
Local Government	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

§190.142 – Ambulance services and emergency personnel

Officials from the **Department of Health and Senior Services (DHSS)** state section 190.142.2(5) of the proposed legislation requires emergency medical technicians (EMTs), including paramedics, to receive five hours of sex and human trafficking training as part of the continuing education requirements for re-licensure with the DHSS every five years. The Division of Regulation and Licensure’s Bureau (DRL) of Emergency Medical Services will have the ability to verify the sex and human trafficking continuing education requirement during the EMT and paramedic re-licensure process.

DHSS assumes they can absorb the costs of this section with current resources. However, if the workload significantly increased or other legislation was enacted, additional resources would be requested through the appropriation process.

§198.082 – Nursing homes

DHSS states §198.082.9 of the proposed legislation states “each certified nursing assistant shall annually complete one hour of sex and human trafficking awareness training.” The department assumes the intent of the proposed legislation is to require the training as a condition of a nurse aide certification remaining in good standing.

As a result of the proposed legislation, the Department’s Division of Regulation and Licensure, Section for Long Term Care Regulation (SLCR) will have to create rules to outline the requirements for nurse aides, track and monitor compliance, and provide continual education and outreach to nurse aides to ensure compliance and minimize disruption to access of care. The department will need the following staff to carry out the provisions outlined in the proposed legislation.

One full-time Administrative Support Assistant (\$35,132) to perform tracking, monitoring, education, outreach and compliance reviews.

In addition, the provisions in the proposed legislation will require the department, in consultation with the Information Technology Services Division (ITSD), to create a tracking system to monitor compliance among the 42,107 certified nurse aides in Missouri. It is assumed that every new IT project/system will be bid out because all ITSD resources are at full capacity. ITSD estimates it will cost \$81,648 (777.60 hours x \$105 per hour) for the IT consultants.

Oversight does not have any information contrary to that provided by DHSS. Therefore, Oversight will reflect DHSS’s impact for fiscal note purposes.

§§566.151 and 567.030 – Criminal offenses involving a child

Officials from the **Department of Corrections (DOC)** state this proposal modifies provisions relating to human trafficking. Sections 566.151 and 567.030 expand the applicability of the offenses of enticement of a child and patronizing prostitution, respectively. Section 566.151 changes the age of the victim from any person who is less than fifteen to seventeen years of age. Section 567.030 changes the age of the victim from less than eighteen years of age but older than fourteen to older than fifteen years of age. The bill changes the existing class D felony to a class B felony.

Regarding section 566.151, the increase in the minimum age under which a person can be considered to be enticed as a child could create additional instances in which a person could be charged with a crime under this section. However, there is no available data to determine the number of 16 and 17 year olds to whom this could have potentially applied. Therefore, the impact for this section is an unknown cost.

There were three new court commitments to prison and five new probation cases under section 567.030 during FY 2023. These offenses would be changed from class D felonies to class B felonies. The average sentence length for a class D felony sex and child abuse offense is 6.6 years, with 5.3 years spent in prison. Changing this to a class B felony would extend the sentence length to 9.0 years, with 7.2 years spent in prison.

The estimated cumulative impact on the department could be an additional 15 offenders in prison and an additional 4 offenders on field supervision by FY 2033.

Change in prison admissions and probation openings with legislation-Class B Felony

	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034
New Admissions										
Current Law	8	8	8	8	8	8	8	8	8	8
After Legislation	8	8	8	8	8	8	8	8	8	8
Probation										
Current Law	0	0	0	0	0	0	0	0	0	0
After Legislation	0	0	0	0	0	0	0	0	0	0
Change (After Legislation - Current Law)										
Admissions										
Probations										
Cumulative Populations										
Prison						6	14	15	15	15
Parole						-6	-10	-4	4	4
Probation										
Impact										
Prison Population						6	14	15	15	15
Field Population						-6	-10	-4	4	4
Population Change							4	11	19	19

	# to prison	Cost per year	Total Costs for prison	Change in probation & parole officers	Total cost for probation and parole	# to probation & parole	Grand Total - Prison and Probation (includes 2% inflation)
Year 1	0	(\$9,689)	\$0	0	\$0	0	\$0
Year 2	0	(\$9,689)	\$0	0	\$0	0	\$0
Year 3	0	(\$9,689)	\$0	0	\$0	0	\$0
Year 4	0	(\$9,689)	\$0	0	\$0	0	\$0
Year 5	0	(\$9,689)	\$0	0	\$0	0	\$0
Year 6	6	(\$9,689)	(\$64,185)	0	\$0	(6)	(\$64,185)
Year 7	14	(\$9,689)	(\$152,759)	0	\$0	(10)	(\$152,759)
Year 8	15	(\$9,689)	(\$166,944)	0	\$0	(4)	(\$166,944)
Year 9	15	(\$9,689)	(\$170,283)	0	\$0	4	(\$170,283)
Year 10	15	(\$9,689)	(\$173,689)	0	\$0	4	(\$173,689)

If this impact statement has changed from statements submitted in previous years, it could be due to an increase/decrease in the number of offenders, a change in the cost per day for institutional offenders, and/or an increase in staff salaries.

If the projected impact of legislation is less than 1,500 offenders added to or subtracted from the department's institutional caseload, the marginal cost of incarceration will be utilized. This cost of incarceration is \$26.545 per day or an annual cost of \$9,689 per offender and includes such costs as medical, food, and operational E&E. However, if the projected impact of legislation is 1,500 or more offenders added or removed to the department's institutional caseload, the full cost of incarceration will be used, which includes fixed costs. This cost is \$99.90 per day or an annual cost of \$36,464 per offender and includes personal services, all institutional E&E, medical and mental health, fringe, and miscellaneous expenses. None of these costs include construction to increase institutional capacity.

DOC's cost of probation or parole is determined by the number of P&P Officer II positions that are needed to cover its caseload. The DOC average district caseload across the state is 51 offender cases per officer. An increase/decrease of 51 cases would result in a cost/cost avoidance equal to the salary, fringe, and equipment and expenses of one P&P Officer II. Increases/decreases smaller than 51 offender cases are assumed to be absorbable.

In instances where the proposed legislation would only affect a specific caseload, such as sex offenders, the DOC will use the average caseload figure for that specific type of offender to calculate cost increases/decreases.

Oversight notes, from information provided by the State Courts Administrator, the following number of felony convictions under §566.151 and §567.030:

	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
§566.151 felonies	15	19	25	22	24
§567.030 felonies	1	0	2	3	10

Oversight notes the felony convictions under §566.151 are a class F felony. Oversight will reflect DOC’s impact as an unknown impact to the General Revenue Fund. Oversight notes it would take roughly 26 additional prisoners to reach the \$250,000 cost threshold. Oversight will assume a fiscal impact of less than \$250,000.

§§566.203, 566.206, 566.209, 566.210, 566.211, 566.215, and 589.700 – Human trafficking offenses

Oversight notes the provisions of this bill state in addition to any fine imposed, the court shall enter a judgment of restitution in the amount of \$5,000 payable to the Human Trafficking and Sexual Exploitation Fund established under section 589.700, upon a plea of guilty or a finding of guilt for a violation of this section. The moneys will be distributed to the county where the offense occurred and allocated 50% toward local rehab services for victims of human trafficking and 50% towards local efforts to prevent human trafficking.

Oversight notes OSCA reported the following number of guilty convictions in 2019 – 2023:

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
§566.203	0	0	0	0	0
§566.206	0	0	0	0	0
§566.209	1	0	0	0	1
§566.210	0	0	0	1	0
§566.211	3	1	1	2	3
§566.215	0	0	0	0	0

Oversight notes with the low number of guilty convictions reflected above, we will assume a minimal amount of restitution proceeds (average of approximately three guilty dispositions per year x \$5,000 = \$15,000) collected into the new Human Trafficking and Sexual Exploitation Fund.

§590.050 – Continuing education requirements

Officials from the **Department of Public Safety - Office of the Director (DPS)** notes OA-ITSD services will be required at a cost of \$9,072 in FY 2025 (86.40 hours x \$105 per hour).

Oversight assumes DPS is provided with core funding to handle a certain amount of computer programming activity each year. Oversight assumes DPS could absorb the programming costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, could request funding through the appropriation process.

Responses regarding the proposed legislation as a whole

Officials from the **Office of Attorney General (AGO)** assume any potential litigation costs arising from this proposal can be absorbed with existing resources. However, the AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

Officials from the **Office of State Courts Administrator (OSCA)** 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.

Officials from the **St. Louis County Police Department** state the proposed legislation would have a fiscal impact. If passed, the Department would be required to update policy and conduct training to inform officers of the changes in law.

Policy creation and updating would require 8 hours of policy research and 4 hours of policy authoring. The average hourly wage of the policy development position is \$46.69. The total cost of policy development is \$560.28. The training development would require 8 hours at the same hourly wage of \$46.69. The total cost of training development is \$373.52.

All 820 commissioned officers would be required to attend the two-hour training. The average rate of a police officer is \$53.03. The total cost of attending training is \$86,969. This cost does not include covering shifts for officers at the training, which will likely result in required overtime.

Oversight notes the fiscal impact for the St. Louis County Police Department; however, Oversight is unable to project a statewide cost. Oversight assumes some annual training of officers is conducted regardless of this bill, and this change could be incorporated into that training. Oversight will reflect a potential \$0 or (Unknown) cost to local police and sheriff's departments from this proposal to update policies and conduct training.

Officials from the **Department of Commerce and Insurance**, the **Department of Mental Health**, the **Department of Public Safety - Missouri Highway Patrol**, the **Department of Social Services**, the **Office of Administration**, the **Missouri Office of Prosecution Services**, the **Office of the State Public Defender**, the **Office of the State Treasurer**, the **Phelps County Sheriff's Department**, and the **Kansas City Police Department** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2028)
GENERAL REVENUE				
<u>Costs – DHSS (§198.082) p. 3</u>				Could exceed...
Personnel Service	(\$29,277)	(\$35,835)	(\$36,551)	(\$36,551)
Fringe Benefits	(\$23,863)	(\$28,909)	(\$29,186)	(\$29,186)
Expense & Equipment	(\$22,718)	(\$10,533)	(\$10,743)	(\$10,743)
OA-ITSD Services	(\$81,648)	\$0	\$0	\$0
Total Costs - DHSS	(\$157,506)	(\$75,276)	(\$76,481)	(\$76,481)
FTE Change - DHSS	1 FTE	1 FTE	1 FTE	1 FTE
<u>Costs – DOC (§§566.151 and 567.030) Increased incarceration costs</u>				Could exceed
	(Unknown)	(Unknown)	(Unknown)	(\$166,944)
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>Could exceed</u> (\$157,506)	<u>Could exceed</u> (\$75,276)	<u>Could exceed</u> (\$76,481)	<u>Could exceed</u> (\$243,425)
Estimated Net FTE Change on General Revenue	1 FTE	1 FTE	1 FTE	1 FTE
HUMAN TRAFFICKING AND SEXUAL EXPLOITATION FUND				
<u>Revenue - (§§566.203, 566.206, 566.209, 566.210, 566.211, 566.215) Potential fine revenue</u>	\$0 or Minimal	\$0 or Minimal	\$0 or Minimal	\$0 or Minimal
<u>Transfer Out – To Counties</u>	<u>\$0 to (Minimal)</u>	<u>\$0 to (Minimal)</u>	<u>\$0 to (Minimal)</u>	<u>\$0 to (Minimal)</u>
ESTIMATED NET EFFECT ON THE HUMAN TRAFFICKING AND SEXUAL EXPLOITATION FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2028)
LOCAL POLITICAL SUBDIVISIONS				
<u>Transfer In – Counties - from Human Trafficking and Sexual Exploitation Fund</u>	\$0 or Minimal	\$0 or Minimal	0 or Minimal	0 or Minimal
<u>Costs – Police and Sheriff’s Departments – Increased cost to train and develop policy</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>

FISCAL IMPACT – Small Business

The proposed legislation could have an impact on long-term care facilities’ ability to employ certified nurses aides which, in turn, could impact the delivery of care to residents.

FISCAL DESCRIPTION

This bill establishes the "Committee on Sex and Human Trafficking Training", which will be composed of six members, including, among others, a representative of the Attorney General's Office, a representative of the Department of Public Safety, and a juvenile officer. The committee must annually evaluate and establish guidelines for required sex and human trafficking training. The committee will dissolve on August 28, 2029.

The Department of Health and Senior Services will require each EMT, including each paramedic, to receive five hours of sex and human trafficking training as part of continuing education requirements for relicensure every five years. Each certified nursing assistant, registered nurse, licensed practical nurse, advanced practice registered nurse, and juvenile officer must complete one hour of sex and human trafficking training annually. Social workers will be required to complete two hours of sex and human trafficking training for license renewal. Lastly, each peace officer will be required to receive two hours of sex and human trafficking training within the law enforcement continuing education one-year reporting period.

Currently, under certain circumstances, a statement made by a child under the age of 14 or by a vulnerable person, or the visual and aural recording of a verbal or nonverbal statement of such

child or vulnerable person, is admissible into evidence in criminal proceedings as substantive evidence to prove the truth of the matter asserted. This bill increases the age to a child under the age of 18 and it amends the definition of "vulnerable person" to include a person whose developmental level does not exceed that of an ordinary child of 17 years of age, increased from 14 years of age.

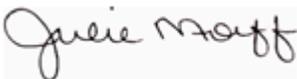
Currently, a person 21 years old or older commits the offense of enticement of a child if he or she satisfies the elements of the offense and the child is under 15 years old. This bill increases the age of the child to under 17 years old.

The bill also provides that a person who pled guilty to or was found guilty of certain sexual offenses, specified in the bill, will be required to pay \$5,000 in restitution payable to the state to be deposited into the Human Trafficking and Sexual Exploitation Fund. Upon receipt of money from the Fund, a county must allocate disbursement of the funds according to the requirements in the 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

Attorney General's Office
Department of Commerce and Insurance
Department of Corrections
Department of Health and Senior Services
Department of Mental Health
Department of Public Safety
Department of Social Services
Missouri Office of Prosecution Services
Office of Administration
Office of the State Courts Administrator
Office of the State Public Defender
Office of the State Treasurer
Phelps County Sheriff's Department
Kansas City Police Department
St. Louis County Police Department



Julie Morff
Director
January 11, 2024



Ross Strobe
Assistant Director
January 11, 2024