

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3110H.01I
Bill No.: HB 1464
Subject: Children and Minors; Crimes and Punishment; Courts; Evidence; Sexual Offenses
Type: Original
Date: March 2, 2025

Bill Summary: This proposal modifies and establishes provisions relating to the protection of children and vulnerable persons.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2026	FY 2027	FY 2028	Fully Implemented (FY 2032)
General Revenue*	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)	Could exceed (\$23,616)
Total Estimated Net Effect on General Revenue	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)	Could exceed (\$23,616)

*The fiscal impact to General Revenue could exceed the \$250,000 threshold depending on the level of appropriation to the Anti-Trafficking Fund (§210.1505), if any.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2026	FY 2027	FY 2028	Fully Implemented (FY 2032)
Anti-Trafficking Fund*	\$0	\$0	\$0	\$0
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0	\$0

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2026	FY 2027	FY 2028	Fully Implemented (FY 2032)
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 2026	FY 2027	FY 2028	Fully Implemented (FY 2032)
Anti-Trafficking Fund	2 FTE	2 FTE	2 FTE	2 FTE
Total Estimated Net Effect on FTE	2 FTE	2 FTE	2 FTE	2 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 2026	FY 2027	FY 2028	Fully Implemented (FY 2032)
Local Government	\$0	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§210.1505 – Statewide Council Against Adult Trafficking and the Commercial Sexual Exploitation of Children

In response to similar legislation from 2025 (HB 219), officials from the **Attorney General’s Office (AGO)** assumed this proposal will increase caseloads. The AGO requests one (1) AAG IV to manage the additional cases and one (1) Paralegal to support the additional attorney.

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

Officials from the **Office of the State Treasurer (STO)** state the language in Section 210.1505 states the STO “shall” approve disbursements instead of “may” approve disbursements. If the STO is expected to administer the fund, an additional FTE (Treasury Coordinator) at an annual salary of \$43,000 will be needed to carry out the responsibilities. Salaries are from similar positions; costs of equipment are based on past purchasing and FMDC amounts. STO cannot absorb costs. FTE is only if STO would be required to administer the fund.

Oversight assumes this proposal will not create the additional duties necessary for a new FTE for the STO. Therefore, Oversight will reflect no fiscal impact to the STO for fiscal note purposes. However, if this assumption is incorrect, the STO may request funding through the appropriations process.

Officials from the **Missouri Senate (SEN)** anticipate a negative fiscal impact to reimburse one senator for travel to Statewide Council Against Adult Trafficking and the Commercial Sexual Exploitation of Children Council meetings.

The SEN assumes meetings will be held in Jefferson City during the interim. The average of the total round trip miles for current sitting senators is 255 miles and the current mileage rate, as set by the Office of Administration is \$0.655 cents per mile. Therefore, the SEN estimates a total cost for senator mileage of approximately \$167. The SEN assumes no fiscal responsibility for the other committee members.

Oversight does not have any information to the contrary. Oversight assumes the SEN can absorb the minimal fiscal impact for this proposal within existing funding levels and will reflect no fiscal impact for this agency.

Officials from the **Missouri House of Representatives (MHR)** assume the proposal will have no fiscal impact on their organization. The MHR will absorb any reasonable expenses of their member serving on the council. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Oversight notes the provisions of this section establish the Anti-Trafficking Fund, which consists of moneys appropriated by the General Assembly as well as court-ordered restitution from human trafficking offenses, any proceeds as provided under section 566.218.2, any gifts, donations, grants, and bequests. Moneys in the fund shall be used solely to pay for the position of the executive director and administrative support for the statewide council, education and awareness regarding human trafficking, and anti-trafficking efforts through the state.

Oversight will reflect the possibility that the General Assembly could appropriate moneys to this new fund from the General Revenue Fund. For fiscal note purposes, Oversight assumes services provided under this proposal will equal income/appropriations and net to zero.

§§566.151, 566.210, 566.211, and 567.030 – Criminal offenses involving a child and prostitution

Officials from the **Department of Corrections (DOC)** state this proposal modifies and establishes provisions relating to the protection of children and vulnerable persons.

Section 566.151 changes the age of the victim from any person who is less than fifteen to seventeen years of age. From FY 2022 to FY 2024, the department totaled 59 new prison admissions and 3 new probation cases for sentences of enticement of a child. 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.

Section 566.210 changes language to extend the term of imprisonment prior to parole eligibility from 25 to 30 years for sentences on the offense of sexual trafficking of a child in the first degree. There was one person admitted to prison as a new court commitment under section 566.210 in FY 2024. Given the minimum prison term for these sentences are already set at 25 years, this change would not start to have an impact on the department for 25 years from the effective date. Therefore, given the 10-year time frame for this response, DOC assumes no impact for this reporting period in this section.

Section 566.211 creates the offense of sexual trafficking of a child in the second degree by a parent, legal guardian, or other person having custody or control of a child. The DOC does not anticipate an impact to this section as none of the offenders sentenced in the past 3 years would be impacted by this legislation.

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.

There were one new court commitments to prison and no new probation cases under section 567.030 during FY 2024. These offenses could 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 7.3 years spent in prison.

The estimated cumulative impact on the department would be an additional 2 offenders in prison and one less offender on field supervision by FY 2032.

Change in prison admissions and probation openings with legislation

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
New Admissions										
Current Law	1	1	1	1	1	1	1	1	1	1
After Legislation	1	1	1	1	1	1	1	1	1	1
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						1	2	2	2	2
Parole						-1	-1	-1		
Probation										
Impact										
Prison Population						1	2	2	2	2
Field Population						-1	-1	-1		
Population Change								1	2	2

	# 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	(\$10,485)	\$0	0	\$0	0	\$0
Year 2	0	(\$10,485)	\$0	0	\$0	0	\$0
Year 3	0	(\$10,485)	\$0	0	\$0	0	\$0
Year 4	0	(\$10,485)	\$0	0	\$0	0	\$0
Year 5	0	(\$10,485)	\$0	0	\$0	0	\$0
Year 6	1	(\$10,485)	(\$11,576)	0	\$0	(1)	(\$11,576)
Year 7	2	(\$10,485)	(\$23,616)	0	\$0	(1)	(\$23,616)
Year 8	2	(\$10,485)	(\$24,088)	0	\$0	(1)	(\$24,088)
Year 9	2	(\$10,485)	(\$24,570)	0	\$0	0	(\$24,570)
Year 10	2	(\$10,485)	(\$25,061)	0	\$0	0	(\$25,061)

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 \$28.73 per day or an annual cost of \$10,485 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 \$100.25 per day or an annual cost of \$36,591 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

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

	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
§566.151 felonies	19	25	22	24	24
§567.030 felonies	0	2	1	2	0

Oversight will reflect DOC's impact as an unknown impact to the General Revenue Fund. Oversight notes it would take roughly 24 additional prisoners to reach the \$250,000 cost threshold. Oversight will assume a fiscal impact of less than \$250,000.

§566.218 – Restitution required for certain offenders

Oversight notes any real or personal property that was used, attempted to be used, or intended to be used to commit a sexual offense under 566.203, 566.206, 566.209, 566.210, 566.211, 566.212, 566.213, and 566.215 may be seized. Any proceeds from the sale of the property will be allocated to pay an order of restitution to a victim(s) of human trafficking, with any remaining funds deposited into the Anti-Trafficking Fund. As the exact amount of proceeds from the sale of seized property will vary from year to year, Oversight will reflect a \$0 to Unknown impact to the Anti-Trafficking Fund.

Responses regarding the proposed legislation as a whole

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.

Oversight notes OSCA assumes this proposal may have some impact on their organization although it can't be quantified at this time. As OSCA is unable to provide additional information regarding the potential impact, Oversight assumes the proposed legislation will have a \$0 to (Unknown) cost to the General Revenue Fund. For fiscal note purposes, Oversight also assumes the impact will be under \$250,000 annually. If this assumption is incorrect, this would alter the fiscal impact as presented in this fiscal note. If additional information is received, Oversight will review it to determine if an updated fiscal note should be prepared and seek approval to publish a new fiscal note.

In response to similar legislation from 2025 (HCS HB 219), officials from the **Washington School District** stated the financial impact would be about \$2,000 for training and documentation updates.

Oversight assumes some annual training is conducted regardless of this bill and this change could be incorporated into that training and absorbed within current resources.

Officials from the **Department of Commerce and Insurance**, the **Department of Social Services**, the **Department of Elementary and Secondary Education**, the **Department of Health and Senior Services**, the **Department of Mental Health**, the **Department of Natural Resources**, the **Department of Public Safety – Office of the Director**, the **Missouri Department of Conservation**, the **Missouri Office of Prosecution Services**, the **Office of the Governor**, the **City of Kansas City**, the **City of O'Fallon**, the **Phelps County Sheriff's Department**, the **Branson Police Department**, the **Kansas City Police Department**, and the **St. Louis County 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.

In response to similar legislation from 2025 (HCS HB 219), officials from the **Department of Public Safety - Missouri Highway Patrol**, the **Department of Social Services**, the **Office of Administration**, and the **Office of the State Public Defender** each assumed 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.

In response to similar legislation from 2025 (HB 219), officials from the **Department of Public Safety - Capitol Police** assumed the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other cities, counties, nursing homes, local law enforcement, schools, and hospitals were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT</u> – State Government	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2032)
GENERAL REVENUE				
<u>Cost</u> – DOC p. 4-6 (§§566.151 and 567.030) Increased incarceration costs	(Unknown)	(Unknown)	(Unknown)	Could exceed (\$23,616)
<u>Cost</u> – OSCA (various sections) Potential costs relating to the protection of children and vulnerable persons p. 6-7	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<u>Transfer Out</u> – p. 4 (§210.1505) To the Anti- Trafficking Fund	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>Could exceed</u> <u>(\$23,616)</u>
ANTI- TRAFFICKING FUND				
<u>Income</u> – (§210.1505)	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown

<u>FISCAL IMPACT</u> <u>– State</u> <u>Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2032)
Court-ordered restitution from human trafficking offenses p. 3-4				
<u>Income</u> – (§210.1505) p. 3-4 Potential proceeds from orders of restitution as provided under §566.218.2	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Income</u> – p. 3-4 (§210.1505) Gifts, grants, donations	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Transfer In</u> – (§210.1505) From General Revenue p. 3-4	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Cost</u> – AGO (§210.1505) p. 3				Could exceed...
Personal Service	(\$123,333)	(\$150,960)	(\$153,979)	(\$153,979)
Fringe Benefits	(\$75,752)	(\$92,089)	(\$93,299)	(\$93,299)
Exp. & Equip.	(\$21,812)	\$0	\$0	\$0
Training and anti- trafficking efforts	(Unknown)	(Unknown)	(Unknown)	(Unknown)
<u>Total Cost</u> - AGO	<u>Could exceed</u> (<u>\$220,897</u>)	<u>Could exceed</u> (<u>\$243,049</u>)	<u>Could exceed</u> (<u>\$247,278</u>)	<u>Could exceed</u> (<u>\$247,278</u>)
FTE Change - AGO	2 FTE	2 FTE	2 FTE	2 FTE
ESTIMATED NET EFFECT ON THE ANTI- TRAFFICKING FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT</u> <u>– State</u> <u>Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2032)
Estimated Net FTE Change on the Anti- Trafficking Fund	2 FTE	2 FTE	2 FTE	2 FTE

<u>FISCAL IMPACT</u> <u>– Local</u> <u>Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2032)
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION**PROTECTION OF CHILDREN AND VULNERABLE PERSONS**

This bill replaces the term "child pornography" with "child sexual abuse material" throughout statute, but child pornography as it will have existed prior to the effective date of this legislation will still be subject to the provisions of the relevant statutes.

The term "child sexual abuse material" now includes any anatomically correct doll, mannequin, or robot meant to resemble a minor under 18 years of age and intended to be used for the purpose of arousing or gratifying the sexual desire of any person or for the purpose of terrorizing or causing emotional distress to any person.

The bill also establishes the "Statewide Council Against Adult Trafficking and Commercial Sexual Exploitation of Children" to replace the "Statewide Council on Sex Trafficking and Sexual Exploitation of Children", which expired on December 31, 2023. The new council must be created within 30 days of August 28, 2025, is required to meet at least quarterly, and is within the Office of the Attorney General and the Attorney General or his or her designee will be the chair of the council. The members of the council are specified and include a member of the Senate appointed by the President Pro Tem of the Senate and a member of the House of Representatives appointed by the Speaker of the House of Representatives. The Council is also

required to have an executive director, who must be appointed by the Attorney General and whose compensation will be set by the Attorney General.

The bill creates the "Anti-Trafficking Fund", of which the State Treasurer will be the custodian and of which the Treasurer is required to approve disbursements as required by the Attorney General. Money in the fund will be used solely to pay for the position of the executive director of the statewide council, education and awareness regarding human trafficking, and antitrafficking efforts throughout the State.

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

The bill amends Section 537.046, RSMo, to add to the definition of "childhood sexual abuse" the offenses of rape in the second degree, sodomy in the second degree, sexual abuse in the second degree, sexual trafficking of a child in the first degree, sexual trafficking of a child in the second degree, sexual exploitation of a minor, and child used in a sexual performance. Currently, a person can file a cause of action to recover damages from injury or illness caused by childhood sexual abuse within 10 years of the plaintiff turning 21 years old or within three years of discovering the cause of the injury or illness. This bill adds that a person can file a cause of action to recover damages from injury or illness caused by tortious conduct that caused the victim to be a victim of childhood sexual abuse within 20 years of the plaintiff turning 21 years old or three years of discovering the cause of the injury or illness.

This bill allows a prosecuting or circuit attorney to request assistance from the Attorney General to assist in prosecution of child sex trafficking cases.

The bill changes the age of a person upon whom a person commits the offense of sexual trafficking of a child in the first degree from under the age of 12 to under the age of 14. The term of imprisonment for this offense in the first degree remains life imprisonment, but the bill changes the offender's eligibility for probation or parole to 30 years served from the current 25.

The bill specifies that the term of imprisonment for the offense of sexual trafficking of a child in the second degree when it is committed by a parent, legal guardian, or other person having custody or control of a child is "life imprisonment", which, in this instance, means for the duration of the person's natural life.

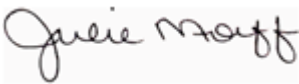
Any real or personal property that was used, attempted to be used, or intended to be used to commit a certain unlawful sexual offense can be seized and remaining proceeds from the sale of the seized property owned by the defendant will be first allocated to pay an order of restitution to a victim of human trafficking and any remaining funds will be deposited into the Anti-Trafficking Fund.

Currently, the offense of patronizing prostitution is a class D felony if the individual the person patronizes is 14 years of age or younger. This bill increases the penalty to a class B felony if the individual the person patronizes is 15 years of age or younger.

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 Elementary and Secondary Education
Department of Health and Senior Services
Department of Mental Health
Department of Natural Resources
Department of Public Safety
Department of Social Services
Missouri Department of Conservation
Missouri House of Representatives
Missouri Office of Prosecution Services
Missouri Senate
Office of Administration
Office of the Governor
Office of the State Courts Administrator
Office of the State Public Defender
Office of the State Treasurer
City of Kansas City
City of O'Fallon
Phelps County Sheriff's Department
Branson Police Department
Kansas City Police Department
St. Louis County Police Department
Washington School District



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