

7/10/12

PREPARED BY: Doug Nichols
DATE PREPARED: March 26, 2012
PHONE: 402-471-0052

LB 1145

Revision: 01

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

Updated for amendments adopted through March 21, 2012.

| ESTIMATE OF FISCAL IMPACT – STATE AGENCIES * | | | | |
|--|--------------|---------|--------------|---------|
| | FY 2012-13 | | FY 2013-14 | |
| | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS | 58,690 | | 12,460 | |
| CASH FUNDS | | | | |
| FEDERAL FUNDS | | | | |
| OTHER FUNDS | | | | |
| TOTAL FUNDS | 58,690 | | 12,460 | |

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

This bill, as amended, would change and provide provisions and penalties relating to human trafficking and pandering. The bill would create a task force to study and investigate human trafficking. The task force is located in the Nebraska Commission on Law Enforcement and Criminal Justice (Crime Commission). The task force and the Department of Labor are required to create or select informational posters, and these posters are required to be posted in strip clubs and rest stops. Other entities, such as schools, post-secondary schools, hospitals, gas stations, and hotels, may voluntarily post signs in their facilities.

The bill requires the state to provide mandatory training for law enforcement agencies, prosecutors, public defenders, judges, juvenile detention center staff, and others involved in the juvenile justice system and the criminal justice system and other relevant officials in addressing human trafficking. The task force established in this bill shall work with such agencies, persons, and staff to develop a proper curriculum for the training and to determine which state entity would be most appropriate in providing the training. The determination and accompanying legislation recommendations shall be made by December 1, 2012.

The Crime Commission assumes that the meetings of the task force will be held in Lincoln. Of the 20 members of the task force, expenses will be paid for 14 because 6 will be from Lincoln and they will have no expenses. The Crime Commission estimates one member from Omaha and one from Scottsbluff. The other 12 will be dispersed around the state and the Crime Commission estimates an average of 250 miles travel round-trip per meeting of the task force. They assume 3 of the 12 task force members will stay overnight in Lincoln. The Crime Commission estimates travel costs for mileage, meals, and lodging for one meeting of the task force at \$3,115. The Crime Commission estimates 6 meetings in FY12-13 and four in FY13-14. Therefore, travel costs in FY12-13 are estimated at \$18,690 and in FY13-14 at \$12,460.

The bill requires the task force to conduct a study on human trafficking. The Crime Commission estimates the one-time cost of this study at \$35,000. The bill also requires the state to provide mandatory training addressing human trafficking. The task force is to develop a proper curriculum for the training and to determine which state entity would be most appropriate in providing the training. This is to be done by December 1, 2012. The Crime Commission states that several organizations already have developed curriculums and these organizations provide technical assistance. They estimate a one-time cost of \$5,000 to pay for technical assistance to develop a human trafficking curriculum for Nebraska.

The response of the Crime Commission contains detailed information of how they came up with their cost estimate and it follows:

Travel Costs: Section 2 of LB 1145, as amended on General File, creates a new task force under the Crime Commission with specific duties ... one of which is to investigate and study human trafficking. The task force is comprised of 20 members. The travel costs for the members of this task force will be reimbursed from the Crime Commission's budget. No funds are available in the existing Crime Commission budget to implement LB 1145, so funds are requested via this fiscal note. This fiscal note assumes: (1) all meetings of the task force are in Lincoln and (2) six meetings will be held in FY 12-13 and four meetings will be held in FY 13-14.

Of the 20 members of the task force, 6 will be from Lincoln and 1 from Omaha. That leaves 13 members which are to be dispersed around the rest of Nebraska. I am assuming one member will come from Scottsbluff and the other 12 will travel an average of 250 miles round-trip. Of those 12, I am assuming 3 will stay overnight. The costs for one meeting are therefore 66 (Omaha) + 667 (Scottsbluff) + 275 x 3 (staying overnight) + 173 x 9 (no overnight) = 3,115.

Continued

Study Costs: Section 2 requires the task force to conduct a study on human trafficking and report the results to the Clerk of the Legislature no later than one year after the effective date of LB 1145. Therefore, the study would be due no later than July, 2013. The three options to completing the study are: (a) use current Crime Commission staff, (b) use the members of the task force to do the study, and (c) contract with UNL or UNO or another organization. Of the three options, the most feasible one is (c) and the estimated one-time cost is \$35,000 for FY 12-13.

Curriculum Development: Section 3 requires the state to provide mandatory training for law enforcement agencies and others in addressing human trafficking. No later than December 1, 2012, the task force shall determine which state agency is most appropriate to provide the training and develop a curriculum for this training. There are curriculums already developed and available from such organizations as Homeland Security, the Office for Victims of Crime, and the National Human Trafficking Resource Center. These organizations also provide technical assistance. This fiscal note includes a one-time cost of \$5,000 in FY 12-13 to pay for technical assistance to develop a human trafficking curriculum for Nebraska.

The Supreme Court estimates no significant impact on judicial workload. No fiscal impact can be determined regarding the mandatory training at this time since the task force determines who should provide the training, how it is provided, and if there will be non-State funding or support. However, if Supreme Court funds are required in order to train judges and other Supreme Court personnel, depending on how the training should be conducted, an estimated General or cash fund cost could be anywhere within a range of \$1,500 to more than \$20,000 per session.

The Attorney General estimates no fiscal impact from this bill.

The Nebraska Department of Education estimates a minimal fiscal impact as the Commissioner or his designee is part of the task force established by the bill, as amended.

The Department of Roads estimates no fiscal impact from this bill.

The Department of Correctional Services (DCS) states that this bill will have an indeterminable fiscal impact, and their response follows:

Fiscal Impact – Indeterminable. The impact on NDCS related to future admissions is not determinable.

The FY 11 per diem (cost per day of feeding, clothing, housing, medical, etc.) for an individual inmate was \$5,799 per year.

NDCS admitted one inmate in 2011 for pandering. There were no admissions for this offense in 2009 or 2010.

Section 6 of this bill establishes a new Commission, of which the Director of Correctional Services is one of the named members. The Commission has some reporting responsibilities and the bill does not identify which agency will provide administrative, technical or financial support. NDCS has no reason to believe that this will result in additional cost to the agency.

The Commission on Latino Americans estimates no fiscal impact from this bill.

DEPARTMENT OF ADMINISTRATIVE SERVICES

| REVIEWED BY | Joe Wilcox | DATE | 3/16/12 | PHONE | 471-2526 |
|--|------------|------|---------|-------|----------|
| COMMENTS | | | | | |
| ATTORNEY GENERAL: Concur with agency analysis for the Attorney General | | | | | |
| NEBRASKA DEPARTMENT OF EDUCATION: No basis to dispute agency analysis for NDE. | | | | | |
| COMMISSION ON LATINO AMERICANS: No disagreement with agency analysis for the Commission on Latino Americans. | | | | | |
| NEBRASKA DEPARTMENT OF ROADS: No basis to dispute Department of Roads' agency analysis on LB 1145, as amended by the Committee. | | | | | |
| SUPREME COURT: No basis to dispute agency analysis for the Supreme Court regarding the Judiciary Committee amendments – AM2387 to LB 1145. | | | | | |

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LEGISLATIVE FISCAL

LB⁽¹⁾ 1145, **FISCAL NOTE**
Am2387

State Agency OR Political Subdivision Name: ⁽²⁾

Attorney General

Prepared by: ⁽³⁾ David Cookson

Date Prepared: ⁽⁴⁾ 3-16-12

Phone: ⁽⁵⁾ 471-2687

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

| | <u>FY 2012-2013</u> | | <u>FY 2013-2014</u> | |
|---------------|---------------------|----------------|---------------------|----------------|
| | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS | _____ | _____ | _____ | _____ |
| CASH FUNDS | _____ | _____ | _____ | _____ |
| FEDERAL FUNDS | _____ | _____ | _____ | _____ |
| OTHER FUNDS | _____ | _____ | _____ | _____ |
| TOTAL FUNDS | ===== | ===== | ===== | ===== |

Return by date specified or 72 hours prior to public hearing, whichever is earlier.
Explanation of Estimate:

No Fiscal Impact.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

| <u>POSITION TITLE</u> | <u>NUMBER OF POSITIONS</u> | | <u>2012-2013</u> | <u>2013-2014</u> |
|---------------------------|----------------------------|--------------|---------------------|---------------------|
| | <u>12-13</u> | <u>13-14</u> | <u>EXPENDITURES</u> | <u>EXPENDITURES</u> |
| Benefits..... | _____ | _____ | _____ | _____ |
| Operating..... | _____ | _____ | _____ | _____ |
| Travel..... | _____ | _____ | _____ | _____ |
| Capital outlay..... | _____ | _____ | _____ | _____ |
| Aid..... | _____ | _____ | _____ | _____ |
| Capital improvements..... | _____ | _____ | _____ | _____ |
| TOTAL..... | _____ | _____ | _____ | _____ |

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LB⁽¹⁾ 1145 as Amended by AM 2387 FISCAL NOTE

LEGISLATIVE FISCAL

State Agency OR Political Subdivision Name: (2) Nebraska Department of Education

Prepared by: (3) Russ Inbody Date Prepared: (4) March 19, 2012 Phone: (5) (402) 471-4320

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

Table with columns for FY 2012-2013 and FY 2013-2014, each subdivided into EXPENDITURES and REVENUE. Rows include GENERAL FUNDS, CASH FUNDS, FEDERAL FUNDS, OTHER FUNDS, and TOTAL FUNDS.

Return by date specified or 72 hours prior to public hearing, whichever is earlier. Explanation of Estimate:

There does appear there may be a minimal fiscal impact to NDE as the Commissioner or his designee are part of the task force established by this amendment to the bill.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

Table with columns for POSITION TITLE, NUMBER OF POSITIONS (12-13, 13-14), 2012-2013 EXPENDITURES, and 2013-2014 EXPENDITURES. Rows include Benefits, Operating, Travel, Capital outlay, Aid, Capital improvements, and TOTAL.

Please complete ALL (5) blanks in the first three lines.

LB⁽¹⁾ 1145 FISCAL NOTE

LEGISLATIVE FISCAL

State Agency OR Political Subdivision Name: (2)

Commission on Latino Americans

Prepared by: (3) Lazaro Spindola

Date Prepared: (4) 03/16/2012

Phone: (5) 402-471-2791

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

| | FY 2012-2013 | | FY 2013-2014 | |
|---------------|--------------|---------|--------------|---------|
| | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS | | | | |
| CASH FUNDS | | | | |
| FEDERAL FUNDS | | | | |
| OTHER FUNDS | | | | |
| TOTAL FUNDS | | | | |

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB 1145 and Amendment 2387 have no fiscal impact on the Latino American Commission. Through this Bill, a new commission is created. The Latino American Commission Executive Director or his or her designee is a member of this commission. The commission is not assigned to any specific state agency for administrative purposes. Section 3 of the bill also requires the state to provide mandatory training on human trafficking for law enforcement agencies, prosecutors, public defenders, judges, and juvenile detention center staff but does not assign the training responsibility to any specific agency. No members of the Latino American Commission fall into this category.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

| POSITION TITLE | NUMBER OF POSITIONS | | 2012-2013 | 2013-2014 |
|---------------------------|---------------------|-------|--------------|--------------|
| | 12-13 | 13-14 | EXPENDITURES | EXPENDITURES |
| Benefits..... | | | | |
| Operating..... | | | | |
| Travel..... | | | | |
| Capital outlay..... | | | | |
| Aid..... | | | | |
| Capital improvements..... | | | | |
| TOTAL..... | | | | |

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LB⁽¹⁾ 1145 FISCAL NOTE

State Agency OR Political Subdivision Name: (2) NE Commission on Law Enforcement

Prepared by: (3) Bruce Ayers Date Prepared: (4) 3/23/2012 Phone: (5) 471-0359

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

| | FY 2012-2013 | | FY 2013-2014 | |
|---------------|--------------|---------|--------------|---------|
| | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS | 58,690 | | 12,460 | |
| CASH FUNDS | | | | |
| FEDERAL FUNDS | | | | |
| OTHER FUNDS | | | | |
| TOTAL FUNDS | 58,690 | 0 | 12,460 | 0 |

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

Travel Costs: Section 2 of LB 1145, as amended on General File, creates a new task force under the Crime Commission with specific duties ... one of which is to investigate and study human trafficking. The task force is comprised of 20 members. The travel costs for the members of this task force will be reimbursed from the Crime Commission's budget. No funds are available in the existing Crime Commission budget to implement LB 1145, so funds are requested via this fiscal note. This fiscal note assumes: (1) all meetings of the task force are in Lincoln and (2) six meetings will be held in FY 12-13 and four meetings will be held in FY 13-14.

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Study Costs: Section 2 requires the task force to conduct a study on human trafficking and report the results to the Clerk of the Legislature no later than one year after the effective date of LB 1145. Therefore, the study would be due no later than July, 2013. The three options to completing the study are: (a) use current Crime Commission staff, (b) use the members of the task force to do the study, and (c) contract with UNL or UNO or another organization. Of the three options, the most feasible one is (c) and the estimated one-time cost is \$35,000 for FY 12-13.

Curriculum Development: Section 3 requires the state to provide mandatory training for law enforcement agencies and others in addressing human trafficking. No later than December 1, 2012, the task force shall determine which state agency is most appropriate to provide the training and develop a curriculum for this training. There are curriculums already developed and available from such organizations as Homeland Security, the Office for Victims of Crime, and the National Human Trafficking Resource Center. These organizations also provide technical assistance. This fiscal note includes a one-time cost of \$5,000 in FY 12-13 to pay for technical assistance to develop a human trafficking curriculum for Nebraska.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

| POSITION TITLE | NUMBER OF POSITIONS | | 2012-2013 | 2013-2014 |
|----------------|---------------------|-------|--------------|--------------|
| | 12-13 | 13-14 | EXPENDITURES | EXPENDITURES |

| | | | | |
|-----------------------------------|--|--|--------|--------|
| | | | | |
| | | | | |
| | | | | |
| Benefits | | | | |
| Operating | | | 40,000 | 0 |
| Travel | | | 18,690 | 12,460 |
| Capital outlay | | | | |
| Aid | | | | |
| Capital improvements | | | | |
| TOTAL | | | 58,690 | 12,460 |

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LB⁽¹⁾ 1145 FISCAL NOTE

State Agency OR Political Subdivision Name: (2) NEBRASKA DEPARTMENT OF ROADS

Prepared by: (3) Marilyn Hayes Date Prepared: (4) 03-19-2012 Phone: (5) 402-479-4692

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

| | FY 2012-2013 | | FY 2013-2014 | |
|---------------|--------------|---------|--------------|---------|
| | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS | _____ | _____ | _____ | _____ |
| CASH FUNDS | _____ | _____ | _____ | _____ |
| FEDERAL FUNDS | _____ | _____ | _____ | _____ |
| OTHER FUNDS | _____ | _____ | _____ | _____ |
| TOTAL FUNDS | ===== | ===== | ===== | ===== |

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

REVISED AS OF 3-19-12 due to AM2387

Amendment 2387 establishes a task force for investigating and studying human trafficking, within the Nebraska Commission on Law Enforcement and Criminal Justice. This amendment also states the Department of Labor will work with the task force to develop the informational posters as noted in the original fiscal note, which is attached. Posters will be placed at rest stops and multiple other locations.

Since the task force is under the Nebraska Commission on Law Enforcement and Criminal Justice, no fiscal impact to DOR is anticipated.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

| POSITION TITLE | NUMBER OF POSITIONS | | 2012-2013 EXPENDITURES | 2013-2014 EXPENDITURES |
|---------------------------|---------------------|-------|---------------------------|---------------------------|
| | 12-13 | 13-14 | | |
| Benefits..... | _____ | _____ | _____ | _____ |
| Operating..... | _____ | _____ | _____ | _____ |
| Travel..... | _____ | _____ | _____ | _____ |
| Capital outlay..... | _____ | _____ | _____ | _____ |
| Aid..... | _____ | _____ | _____ | _____ |
| Capital improvements..... | _____ | _____ | _____ | _____ |
| TOTAL..... | _____ | _____ | _____ | _____ |

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LB⁽¹⁾ 1145, FISCAL NOTE
AM2387

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 LEGISLATIVE FISCAL

State Agency OR Political Subdivision Name: ⁽²⁾ Supreme Court

Prepared by: ⁽³⁾ Eric Asboe Date Prepared: ⁽⁴⁾ 3/15/12 Phone: ⁽⁵⁾ 1-4138

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

| | <u>FY 2012-2013</u> | | <u>FY 2013-2014</u> | |
|---------------|---------------------|----------------|---------------------|----------------|
| | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS | _____ | _____ | _____ | _____ |
| CASH FUNDS | _____ | _____ | _____ | _____ |
| FEDERAL FUNDS | _____ | _____ | _____ | _____ |
| OTHER FUNDS | _____ | _____ | _____ | _____ |
| TOTAL FUNDS | ===== | ===== | ===== | ===== |

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

No significant impact on judicial workload. Regarding the mandatory training in Section 3, no fiscal impact can be determined at this time since the task force determines who should provide the training, how it is provided and if there will be non-State funding or support. However, if Supreme Court funds are required in order to train judges and other Supreme Court personnel, depending on how training should be conducted, an estimated General or Cash fund cost could be anywhere within a range of \$1,500 to more than \$20,000 per session.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

| <u>POSITION TITLE</u> | <u>NUMBER OF POSITIONS</u> | | <u>2012-2013 EXPENDITURES</u> | <u>2013-2014 EXPENDITURES</u> |
|---------------------------|----------------------------|--------------|-----------------------------------|-----------------------------------|
| | <u>12-13</u> | <u>13-14</u> | | |
| Benefits..... | _____ | _____ | _____ | _____ |
| Operating..... | _____ | _____ | _____ | _____ |
| Travel..... | _____ | _____ | _____ | _____ |
| Capital outlay..... | _____ | _____ | _____ | _____ |
| Aid..... | _____ | _____ | _____ | _____ |
| Capital improvements..... | _____ | _____ | _____ | _____ |
| TOTAL..... | _____ | _____ | _____ | _____ |