

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

March 11, 2003

TO: Honorable Terry Keel, Chair, House Committee on Criminal Jurisprudence

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB869 by Burnam (Relating to the creation of offenses prohibiting the trafficking of persons, including children, and to the compensation of victims of those offenses.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB869, As Introduced: an impact of \$0 through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>CRIME VICTIMS COMP ACCT</i> 469
2004	(\$578,845)
2005	(\$565,895)
2006	(\$565,895)
2007	(\$565,895)
2008	(\$565,895)

Fiscal Analysis

The bill would amend the Penal Code by creating the offenses of trafficking of persons and trafficking of children for prostitution. The offense of trafficking of persons would be punishable as a felony of the second degree, unless the offense results in the death of a person, or involves the offense of kidnapping or aggravated sexual assault, in which case the offense is punishable as a felony of the first degree. The offense of trafficking of children for prostitution would be punishable as a felony of the second degree, unless the person trafficked was under the age of 14, in which case the offense is punishable as a felony of the first degree. The bill would also amend the Code of Criminal Procedure to include victims of the offense of trafficking for compensation from the Crime Victims Compensation Fund (0469).

Methodology

For this analysis it is assumed that the number of offenders convicted under this statute would not result in a significant impact on the programs and workload of state corrections agencies. The fiscal implications of the bill are based solely on the provision that would make victims of trafficking eligible to receive compensation benefits from the Office of the Attorney General's Crime Victims' Compensation Program. Given the covert nature of trafficking, it is impossible to determine the number of persons that would be eligible to receive compensation benefits. On the high end of human trafficking estimates, the United States Central Intelligence Agency estimates that 50,000 people are trafficked into the United States from other countries each year. On the lower end of human trafficking estimates, the Texas Department of Human Services has identified 85 individual cases of victims of severe forms of trafficking in Texas since June 2000. For this analysis it is assumed that 200 victims of trafficking would receive compensation benefits from the Crime Victims' Compensation Fund. The Office of the Attorney General estimates that the average human trafficking claim will have a payment pattern similar to kidnapping, which in fiscal year 2002 received average payments of approximately \$2,500 per claim.

In order to implement the provisions of the bill the Office of Attorney General estimates it would need a Reimbursement Officer I and an Accountant I to handle additional claims as a result of implementation of the bill. The total cost for fiscal years 2004 through 2008 for these FTE's would be \$342,425. The total cost for compensation payments and additional FTE's would be \$578,845 in fiscal year 2004 and \$565,895 for each of the following years of the analysis. The total cost to the Crime Victims' Compensation Fund over the five-year period of this analysis would be \$2,842,425.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office Of The Attorney General, 324 Department Of Human Services

LBB Staff: JK, JO, WK, VDS, GG