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FISCAL IMPACT REPORT

ORIGINAL DATE 02/11/13

SPONSOR Lewis LAST UPDATED _____ HB 195

SHORT TITLE Human Trafficking Center Hotline Notice SB _____

ANALYST Trowbridge

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		TBD*	TBD*	TBD*	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

*See Fiscal Implications

Duplicates Appropriation in the General Appropriation Act

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Regulation & Licensing Department (RLD)

Department of Workforce Solutions (DWS)

Department of Health (DOH)

Children, Youth and Families Department (CYFD)

SUMMARY

Synopsis of Bill

House Bill 195 creates a requirement that an employer subject to the Minimum Wage Act, a person licensed pursuant to the Liquor Control Act, a health facility licensed pursuant to the Public Health Act, and a state or local government agency that manages a transportation facility including a highway rest area post signs, in English and in Spanish, regarding human trafficking. The sign shall read: *“Notice on Human Trafficking: Obtaining Forced Labor or Services is a Crime Under New Mexico and Federal Law. If You or Someone You Know Is a Victim of This Crime, Call The National Human Trafficking Resource Center Hotline toll-Free at 1-888-373-7888 For Help. You May Remain Anonymous and Your Call is Confidential.”* The size of the sign is specified and is required to be posted conspicuously and in clear view of the public. The English and Spanish portions of the sign are to be of equal size. The agencies affected: the Department of Workforce Solutions (DWS), the Department of Regulation and Licensing

(RLD), the Children, Youth and Families Department (CYFD), and the Department of Health (DOH), are required to provide information about the signs to employers and licensees and to post the sign on their websites, making the sign available for download or print for use by the licensees they regulate.

FISCAL IMPLICATIONS

The DOH observes that HB 195 contains no appropriation for staff, printing costs or other activities that will be required to carry out its provisions and requirements, which will increase the workload and time required. The RLD indicates that costs for notification letters only are estimated to be \$1,250. If the agency is required to print signs for mailing to licensees, this estimate will triple to \$3,750. The RLD adds that written notice of the requirements would need to be sent by mail when e-mail notification is not possible, requiring basic office supplies such as paper, toner, envelopes as well as postage. The DWS estimates the costs to translate the sign to Spanish and to update its website to be \$500. The CYFD states that any administrative resources necessary to provide notice to the CYFD licensees and make available the notice on the CYFD web site will be absorbed by existing resources.

SIGNIFICANT ISSUES

The DOH notes that human trafficking became a felony crime in the state of New Mexico in 2008 and that the Human Trafficking law also includes benefits and services for trafficking victims as well as the creation of a task force to combat human trafficking that includes the Attorney General's Office. Human trafficking is a form of modern-day slavery. Traffickers use force, fraud or coercion to exploit victims for commercial sex or labor purposes. Additionally, the DOH reports that more than 18,000 victims are trafficked into the U.S. annually and more than half of those victims are children. Human trafficking is the fastest growing criminal industry in the world and it is tied with the illegal arms industry as the second largest criminal industry in the world today. Victims of sex trafficking may be found in massage parlors, brothels, strip clubs and escort services. Victims of labor trafficking may be found in domestic situations as nannies or maids, sweatshop factories, construction sites, farm work or panhandling. Human trafficking is everywhere among us and is sometimes in plain sight.

(http://www.nmag.gov/the_office/border-violence-division/human-trafficking).

The RLD states that some employers or licensees in smaller communities may not have access to the internet. There should also be some consistency in the appearance of the sign between agencies to avoid confusion. There are also no penalties listed for failure to post the required signs.

ADMINISTRATIVE IMPLICATIONS

The DOH indicates that HB 195, if adopted, would result in significant administrative burdens on it and other state agencies. The DWS reports that the bill would require its Labor and Industrial Bureau, which enforces the state Minimum Wage Act, to provide employers information about the notice on human trafficking and provide an electronic version available to employers on the DWS website. This information can be incorporated into the Labor and Industrial Bureau's Wage and Hour presentations and posted on the DWS website in a print or download format. The CYFD states that any administrative resources necessary to provide notice to the CYFD licensees and make available the notice on the CYFD web site will be absorbed by existing resources.

RELATIONSHIP

HB 195 is related to HB 121. HB 121 increases the penalty for Human Trafficking.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If HB 195 is not enacted, the public would not be informed via postings about the National Human Trafficking Resource Center Hotline.

TT/svb