



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2017 Biennium

Bill # HB0089

Title: Generally revise human trafficking laws

Primary Sponsor: Dudik, Kimberly

Status: As Amended in House Committee

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>	<u>FY 2018</u> <u>Difference</u>	<u>FY 2019</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$252,908	\$252,908	\$252,908	\$252,908
Federal Special Revenue	\$151,745	\$151,745	\$151,745	\$151,745
Other	\$0	\$0	\$0	\$0
Revenue:				
General Fund	(\$252,908)	(\$252,908)	(\$252,908)	(\$252,908)
State Special Revenue	\$252,908	\$252,908	\$252,908	\$252,908
Federal Special Revenue	\$151,745	\$151,745	\$151,745	\$151,745
Other	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$252,908)</u>	<u>(\$252,908)</u>	<u>(\$252,908)</u>	<u>(\$252,908)</u>

Description of fiscal impact: HB 89 extends the termination date for the crime victims compensation (CVC) account, established in 53-9-113, MCA. Under current law, it was set to terminate on June 30, 2015. As amended, the statutory appropriation currently listed in 17-7-502, MCA that references the CVC account will now terminate on June 30, 2021. HB 89 also makes multiple revisions to Montana's human trafficking laws. **The fiscal impact of these revisions cannot be reasonably determined.

FISCAL ANALYSIS

Assumptions:

Department of Justice

- As amended, Section 27 of HB 89 extends the termination date of June 30, 2015 from HB 108 which was passed by the 2009 Legislature to June 30, 2021. That bill redirected certain state revenues from the state

general fund to the crime victims compensation (CVC) account and provided a statutory appropriation for the account. The amended termination date makes the redirection of general fund revenue to the CVC account and the statutory appropriation continue through June 30, 2021.

2. It is estimated that approximately 750 claims are made to the CVC program annually primarily for medical costs.
3. It is projected that approximately \$252,908 in revenue will be collected in the CVC account based upon average collections since 2011. This revenue will be used to pay claims.
4. State dollars in the CVC account will be matched with federal dollars based upon the Victims of Crime Act (VOCA) formula used by the federal government. A 60% match with federal dollars is estimated. Based on projected state expenditures, the federal match is estimated to be \$151,745.
5. 17-1-508, MCA, requires analysis of the statutory appropriation relative to the guidance in 17-1-508(3), MCA, to be published in the fiscal note. In reviewing and establishing statutory appropriations, the legislature shall consider the following guidelines.

	<u>YES</u>	<u>NO</u>
a. The money is from a continuing, reliable, and estimable source.	X	
b. The use of the appropriation or the expenditure occurrence is predictable and reliable.	X	
c. The authority exists elsewhere.		X
d. An alternative appropriation method is available, practical, or effective.	X	
e. It appropriates state general fund money for purposes other than paying for emergency services.	X	
f. The money is used for general purposes.		X
g. The legislature wishes to review expenditure and appropriation levels each biennium.	X	
h. An expenditure cap and sunset date are excluded.	X	

6. In accordance with 17-1-507, MCA, the dedication of revenue form has been completed for the CVC account and is attached to this fiscal note.
7. Section 14 of HB 89 creates the human trafficking education account. No revenue source is identified for the account, so no revenue or expenses are shown for the account. In accordance with 17-1-507, MCA, the dedication of revenue for has been completed for the human trafficking education account and is attached to this fiscal note.

Judicial Branch

8. The number of district court cases may increase as a result of this legislation; however, the Judicial Branch is unable to estimate the impact on judicial workload or the fiscal impact. The cumulative impact of such legislation may eventually require additional judicial resources because court dockets currently are full in many judicial districts throughout the state.

Office of the Public Defender

9. The Office of the State Public Defender (OPD) has the statutory obligation to represent individuals charged with a crime who cannot afford to hire counsel, represent individuals on direct appeal and also to provide counsel if there is a conflict of interest. The OPD is unable to predict the number of new cases the agency might face with the passing of this bill and therefore, the associated costs cannot be reasonably determined.

Department of Corrections

10. The Department of Corrections (DOC) has had no relevant instances of felony convictions under these codes.
11. Therefore, the fiscal impact cannot be reasonably determined. However, for informational purposes, if a person is convicted of a felony under this new language, the cost of incarceration is \$34,175 per year per male inmate and \$38,515 per year per female inmate.

	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>	<u>FY 2018</u> <u>Difference</u>	<u>FY 2019</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Benefits	\$404,653	\$404,653	\$404,653	\$404,653
TOTAL Expenditures	<u>\$404,653</u>	<u>\$404,653</u>	<u>\$404,653</u>	<u>\$404,653</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$252,908	\$252,908	\$252,908	\$252,908
Federal Special Revenue (03)	\$151,745	\$151,745	\$151,745	\$151,745
TOTAL Funding of Exp.	<u>\$404,653</u>	<u>\$404,653</u>	<u>\$404,653</u>	<u>\$404,653</u>
<u>Revenues:</u>				
General Fund (01)	(\$252,908)	(\$252,908)	(\$252,908)	(\$252,908)
State Special Revenue (02)	\$252,908	\$252,908	\$252,908	\$252,908
Federal Special Revenue (03)	\$151,745	\$151,745	\$151,745	\$151,745
TOTAL Revenues	<u>\$151,745</u>	<u>\$151,745</u>	<u>\$151,745</u>	<u>\$151,745</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$252,908)	(\$252,908)	(\$252,908)	(\$252,908)
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

Sponsor's Initials

Date

Budget Director's Initials

Date