

HF3287 - 2E - "Sex Trafficking Prevention Training Hotel"

Chief Author: **Abigail Whelan**
 Committee: **Health and Human Services Finance**
 Date Completed: **03/21/2018**
 Lead Agency: **Health Dept**
 Other Agencies:
 Natural Resources Dept

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		
		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2017	FY2018	FY2019	FY2020	FY2021
Natural Resources Dept	-	-	-	-	-	-
State Park	-	-	-	-	-	-
State Total						
State Park	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2017	FY2018	FY2019	FY2020	FY2021
Natural Resources Dept	-	-	-	-	-
State Park	-	-	-	-	-
Total	-	-	-	-	-

Lead Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Chardae Kimber Date: 03/21/2018
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2	Biennium			Biennium	
Dollars in Thousands	FY2017	FY2018	FY2019	FY2020	FY2021
Natural Resources Dept	-	-	-	-	-
State Park	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*					
Natural Resources Dept	-	-	-	-	-
State Park	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-
2 - Revenues, Transfers In*					
Natural Resources Dept	-	-	-	-	-
State Park	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-

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Tax Revenue		X
Information Technology		X
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Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2017	FY2018	FY2019	FY2020	FY2021
Total	-	-	-	-	-	-

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Chardae Kimber Date: 3/21/2018 4:59:01 PM
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State Cost (Savings) Calculation Details

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State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2017	FY2018	FY2019	FY2020	FY2021	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

This bill requires hotel operators to provide sex trafficking training to all employees who work on the premises within 90 days of hire and annually thereafter. The Minnesota Department of Health (MDH) is charged with consulting with industry associations regarding the content of the training and reviewing personnel files during routine inspection to ensure compliance with this provision.

Assumptions

The following assumptions were made regarding this bill. MDH is already charged with licensing and inspecting hotels in Minnesota. MDH currently licenses around 1,000 hotels, which are inspected every 12 to 24 months depending on factors such as whether there is a pool on premises and the type of food service available at the same location. This bill does not modify the inspection frequency for hotels and it is assumed that reviewing personnel files will take less than 15 minutes under most circumstances. This negligible increase in staff time will not result in an appreciable drain on existing department resources.

It is also assumed that some enforcement activities will be initiated for businesses that do not comply with this provision. In our experience, when businesses do not comply with one provision or requirement they are often non-compliant with other requirements. Based on this assumption we anticipate that while some enforcement will be conducted regarding this provision, we should not see an appreciable increase in new enforcement cases nor should we see an increase in the time it takes to execute enforcement actions on non-compliant hotels.

The MDH Injury and Violence Prevention staff who work on other state and federally funded projects may be involved in a consultative role on the training content, but we assume that the number of hours per year is minimal and will not incur additional cost.

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact:

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Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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State Park	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2017	FY2018	FY2019	FY2020	FY2021
State Park	-	-	-	-	-
Total	-	-	-	-	-

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Sean Fahnhorst Date: 3/19/2018 2:49:20 PM
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State Cost (Savings) Calculation Details

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*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2 Dollars in Thousands	Biennium			Biennium	
	FY2017	FY2018	FY2019	FY2020	FY2021
State Park	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*					
State Park	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-
2 - Revenues, Transfers In*					
State Park	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-

Bill Description

Requires hotels and motels to ensure that staff are trained within 90 days of hire or effective date of this bill.

Requires ongoing awareness campaigns for employees.

Training must be documented in each employees personnel file.

Resorts are exempt from these requirements

Commissioner to consult with the state hotel and lodging association on educational training around reporting these activities.

Costs of training or the responsibility of the licensee.

Assumptions

We assume that the DNR State Parks and Trails campgrounds and lodging fall under resorts category and therefore have no fiscal impacts.

Expenditure and/or Revenue Formula

None

Long-Term Fiscal Considerations

None

Local Fiscal Impact

None

References/Sources

None

Agency Contact: Phil Leversedge

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