

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 258

(Delegate Morales, *et al.*)

Economic Matters

Judicial Proceedings

Adult Entertainment Establishments - National Human Trafficking Resource
Center Hotline Information - Sign Posting Requirements

This bill requires an owner of an “adult entertainment establishment,” as defined by the bill, to post a National Human Trafficking Resource Center (NHTRC) hotline sign in each restroom of the establishment. First-time violators receive a notice and then are subject to a civil penalty of up to \$1,000 if they do not comply within 24 hours of receiving the notice. Each restroom that does not have a sign is a separate violation. Existing enforcement provisions for truck stops and privately owned bus stations apply to adult entertainment establishments.

Fiscal Summary

State Effect: Potential minimal increase in general fund revenues due to the bill’s imposition of existing penalty provisions. State law enforcement can handle the bill’s requirements with existing resources.

Local Effect: Local and municipal law enforcement agencies can handle the bill’s requirements with existing resources. Other local government finances and operations are not materially affected.

Small Business Effect: Minimal.

Analysis

Current Law: Chapters 576 and 577 of 2010 authorize law enforcement to issue a civil citation to require the posting of NHTRC hotline signs in lodging establishments where arrests leading to convictions for prostitution, solicitation of a minor, or human trafficking have occurred. The Department of Labor, Licensing, and Regulation was required to

design the sign to include specific information and place it on its website. Violators are subject to a civil penalty of up to a \$1,000 fine, but each guest room that does not have a sign is *not* a separate violation.

Chapters 491 and 492 of 2012 require the State Highway Administration and the business owner of a privately owned bus station or truck stop to post the same NHTRC sign in restrooms. Violators are subject to a civil penalty of up to a \$1,000 fine, and each restroom that does not have a sign is a separate violation.

Background: Human trafficking is an umbrella term used to describe the activities involved when someone obtains or holds a person in compelled service. Major forms of human trafficking include forced labor, sex trafficking, bonded labor, debt bondage, involuntary domestic servitude, forced child labor, child soldiers, and child sex trafficking. Millions of adults and children are in forced labor, bonded labor, and forced prostitution around the world. A 2012 report by the International Labour Organization estimated 20.9 million individuals were victims of forced labor worldwide, with 4.5 million of these in forced sexual exploitation.

The U.S. Department of Health and Human Services funds the NHTRC hotline, which is available to answer calls 24 hours a day, 365 days a year. The hotline provides callers with a wide range of services such as crisis intervention, urgent and nonurgent referrals, and anti-trafficking resources and technical assistance. The hotline received more than 20,000 calls each year from 2013 through 2016.

Additional Information

Prior Introductions: SB 1084 of 2016 received a hearing from the Senate Judicial Proceedings Committee, but no further action was taken.

Cross File: SB 221 (Senator Lee, *et al.*) - Judicial Proceedings.

Information Source(s): Department of Labor, Licensing, and Regulation; Department of State Police; Baltimore City; National Human Trafficking Hotline; International Labour Organization; Department of Legislative Services

Fiscal Note History: First Reader - January 25, 2017
md/mcr Third Reader - February 19, 2017

Analysis by: Stephen M. Ross

Direct Inquiries to:
(410) 946-5510
(301) 970-5510

