

**Department of Legislative Services**  
Maryland General Assembly  
2021 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

House Bill 338  
Economic Matters

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**Business Regulation - Innkeepers - Records and Human Trafficking Awareness Training**

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This bill requires the Governor's Office of Crime Prevention, Youth, and Victim Services (GOCPYVS) and the Maryland Department of Labor (MDL) to approve an education training program for the accurate and prompt identification and reporting of suspected human trafficking. An innkeeper must ensure that all employees of the lodging establishment receive the annual training. By October 1, 2022, and by October 1 annually thereafter, each innkeeper must certify to MDL that all employees of the lodging establishment have received the annual training. In addition, the bill requires an innkeeper to maintain a computerized recordkeeping system of all guest transactions and receipts. The records must be retained for at least six months.

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**Fiscal Summary**

**State Effect:** The bill's requirements can be handled with existing budgeted resources, as discussed below. No effect on revenues.

**Local Effect:** Any additional enforcement activity can be handled with existing resources. Revenues are not materially affected.

**Small Business Effect:** Potential meaningful for some small business lodging establishments.

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## Analysis

**Bill Summary:** The training program must include a video presentation that offers guidance to employees of innkeepers on (1) the recognition of potential victims of human trafficking and (2) the activities commonly associated with human trafficking.

**Current Law:** State law does not require an innkeeper to maintain electronic records or ensure that training related to human trafficking is provided to the employees of lodging establishments. “Innkeeper” means the owner, operator, manager, or keeper of a lodging establishment or the agent of an owner, operator, manager, or keeper of a lodging establishment. “Lodging establishment” means an inn, hotel, motel, or other establishment that has at least four rooms available for a fee to transient guests for lodging or sleeping purposes.

A person may not knowingly (1) engage in prostitution or assignation by any means; (2) keep, set up, occupy, maintain, or operate a building, structure, or conveyance for prostitution or assignation; (3) allow a building, structure, or conveyance owned or under the person’s control to be used for prostitution or assignation; (4) allow or agree to allow a person into a building, structure, or conveyance for prostitution or assignation; or (5) procure or solicit, or offer to procure or solicit, prostitution or assignation. A person who violates any of those prohibitions is guilty of a misdemeanor punishable by imprisonment for up to one year, and/or a \$500 maximum fine.

Law enforcement may issue a civil citation to require the posting of National Human Trafficking Resource Center hotline signs for one year in lodging establishments where arrests leading to convictions for prostitution, solicitation of a minor, or human trafficking have occurred. Violators are subject to a civil penalty of up to \$1,000. Each guest room that does not have a sign is *not* a separate violation.

**State Fiscal Effect:** GOCPYVS and MDL advise that they can approve a training program in accordance with the bill with existing resources. They note that the U.S. Department of Homeland Security’s [Blue Campaign](#) offers educational videos on the indicators of human trafficking that can be used to comply with the bill.

**Small Business Effect:** Small business lodging establishments that do not maintain computerized recordkeeping systems as required under the bill are likely to incur limited one-time costs to purchase the equipment necessary to comply.

## **Additional Information**

**Prior Introductions:** HB 382 of 2020 received a hearing in the House Economic Matters Committee, but no further action was taken. HB 673 of 2017, a similar bill, received an unfavorable report from the House Economic Matters Committee.

**Designated Cross File:** None.

**Information Source(s):** Governor's Office of Crime Prevention, Youth, and Victim Services; Maryland Department of Labor; Department of Legislative Services

**Fiscal Note History:** First Reader - January 15, 2021  
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