

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

House Bill 270

Economic Matters

(Delegate Ebersole, *et al.*)

Finance

**Business Regulation - Innkeepers - Maintenance of Guest Records and Employee
Human Trafficking Awareness Training and Policy**

This bill requires the Governor's Office of Crime Prevention, Youth, and Victim Services (GOCPYVS) and the Maryland Department of Labor (MDL) to approve education training programs 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, including new employees within 90 days of hiring. By October 1, 2023, and annually thereafter, each innkeeper must certify to MDL that all employees of the lodging establishment have received the annual training, as specified. An innkeeper must establish a procedure for reporting human trafficking, as specified, and implement a policy for employees to recognize, respond to, and assist potential victims of human trafficking. In addition, the bill requires an innkeeper to establish and maintain a computerized recordkeeping system of all guest transactions and receipts. The records must be retained for at least six months.

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.

Analysis

Bill Summary: A training program must include a video presentation that defines child exploitation and human trafficking and offers guidance to employees of innkeepers on (1) recognizing potential victims of human trafficking; (2) the differences between labor and sex trafficking that are specific to the hotel industry; (3) activities commonly associated with human trafficking; and (4) the role of employees in reporting and responding to human trafficking.

An innkeeper must establish a procedure for reporting potential instances of human trafficking by (1) an employee to the innkeeper or (2) the innkeeper to law enforcement or the National Human Trafficking Resource Center (NHTRC) hotline. An innkeeper must also implement a human trafficking prevention policy for employees that includes how to (1) recognize potential victims of human trafficking; (2) respond to an individual who may be or is a victim of human trafficking; and (3) connect such an individual with any available resources. Additionally, each innkeeper must post a NHTRC hotline sign prominently in a location that is conspicuous to the innkeeper's employees.

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 NHTRC 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 potentially incur costs to establish reporting procedures relating to human trafficking and to implement policies for employees to recognize, respond to, and assist potential trafficking victims. 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 338 of 2021, a similar bill, received a hearing in the House Economic Matters Committee, but no further action was taken. Its cross file, SB 876, received a hearing in the Senate Finance Committee, but no further action was taken. HB 382 of 2020, a similar bill, 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: SB 91 (Senator Jackson) - Finance.

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 31, 2022
fnu2/mcr Third Reader - March 18, 2022
Revised - Amendment(s) - March 18, 2022
Enrolled - April 8, 2022
Revised - Amendment(s) - April 8, 2022

Analysis by: Tyler Allard

Direct Inquiries to:

(410) 946-5510

(301) 970-5510