



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 417 (as introduced 5-31-17)
Sponsor: Senator Margaret E. O'Brien
Committee: Families, Seniors and Human Services

Date Completed: 6-6-17

CONTENT

The bill would amend the Human Trafficking Notification Act, which requires the posting of notices related to human trafficking, to require that liquor licensees and certain other types of property post human trafficking notices on the premises.

The Act requires that each of the following post a human trafficking notice on its premises in the manner described in the Act and as required by the Department of Licensing and Regulatory Affairs (LARA):

- Any entity that owns a property that has been found by a court to constitute a public nuisance due to acts of prostitution or human trafficking being conducted on the property or arising out of the ownership or use of the property.
- An adult entertainment establishment.
- Public airports.

The bill also would require the following to post a human trafficking notice in the same manner and subject to the same requirements:

- A liquor licensee.
- A truck stop.
- An emergency department, emergency room, or trauma center located in a hospital.
- An urgent care center.
- A farm labor contractor.
- A job recruitment center.
- A stadium or arena for use by a professional sports team.

Under the bill, "liquor licensee" would mean an entity other than an adult entertainment establishment that is licensed to sell alcoholic liquor for consumption on the premises under the Michigan Liquor Control Code.

The bill would take effect 90 days after the date it was enacted.

MCL 752.1032 & 752.1033

BACKGROUND

The Human Trafficking Notification Act requires that a human trafficking notice be posted in a conspicuous manner clearly visible to the public and employees within each facility operated

by an entity described in the Act that is open to the public. The notice must meet the following requirements:

- Be of a design and style to provide proper notice.
- Be no smaller than 8-1/2 inches by 11 inches and use a boldfaced type of not less than a 14-point font determined appropriate by the Department of Licensing and Regulatory Affairs.
- Be of durable construction.
- Be posted in the English and Spanish languages and in any other language determined appropriate by LARA in consultation with the Attorney General.

The Department may require the posting of other languages in specified areas of the State due to the languages used within those areas.

The posting also is required to contain the following notice:

"If you or someone you know is being forced to engage in any activity and cannot leave, whether the activity is commercial sex, housework, farm work, or any other activity, please contact the National Human Trafficking Resource Center hotline at 1-888-373-7888 or text 233733 to access help and services. The victims of human trafficking are protected under U.S. laws and the laws of this state."

If LARA determines that an entity subject to the Act has failed to comply with the notice requirements, the Department must notify the entity of the violation and give it 48 hours to come into compliance. If an entity is notified a second time of a failure to comply within one year of the previous notification, it may be fined up to \$250. If the same entity is notified a third time of a failure to comply within one year of the previous two notifications, it may be fined up to \$500.

Legislative Analyst: Nathan Leaman

FISCAL IMPACT

The bill would have a minor, but negative, fiscal impact on the Department of Licensing and Regulatory Affairs, and no fiscal impact on local units of government. The bill would result in new costs to LARA, related to printing and mailing additional human trafficking notification posters, estimated to be at least \$25,000 in printing and mailing costs plus staff time associated with collating and organizing the mailing of at least 10,000 poster/notification packages. The Department has indicated that since the Act became effective, it has yet to receive a complaint related to the failure to display a human trafficking notification poster. Because of this, it is anticipated that an increase in costs related to complaints due to the expanded number of establishments covered under the Act would be minimal. Any increased costs would be borne by existing resources.

Fiscal Analyst: Josh Sefton

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.