

Department of Planning and Budget 2019 Fiscal Impact Statement

1. Bill Number: HB1817

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Delaney

3. Committee: Courts of Justice

4. Title: Prostitution; promoting travel, penalty.

5. Summary: Establishes that knowingly selling or offering to sell travel services for the purposes of prostitution or unlawful sexual intercourse is punishable as a Class 5 felony.

6. Budget Amendment Necessary: Yes. Item 391.

7. Fiscal Impact Estimates: Preliminary. See Item 8 below.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2019			
2020	\$50,000	0	General
2021			
2022			
2023			
2024			
2025			

8. Fiscal Implications: The proposed legislation amends several criminal statutes and adds section § 18.2-348.1 to the Code of Virginia. Under the proposed legislation, promoting travel for prostitution would be defined by § 2.2-515.2 as “sexual violence” conduct and as “racketeering activity” under § 18.2-513 of the Virginia Code. Additionally, a person convicted could also be subject to civil action for trafficking in persons under § 8.01-42.4, and any motor vehicle or other property involved in the offense could be forfeited or seized under §§ 19.2-386.16 and 19.2-386.35. Attorneys for the Commonwealth or the Attorney General, under the proposal, may obtain administrative subpoenas for electronic communication or remote computing services for suspected promotion of travel for prostitution.

Under the proposed bill, knowingly selling or offering "travel services" (e.g., transportation by carrier; accommodations; rental of motor vehicles; or any other service related to travel) for prostitution or unlawful sexual intercourse is punishable as a Class 5 felony. By including this offense as “racketeering activity,” violations may be subject under Virginia’s Racketeer Influenced and Corrupt Organization (RICO) Act penalties. Any person or enterprise

convicted of racketeering is guilty of a felony that is punishable by imprisonment for not less than 5 years nor more than 40 years and a fine of not more than \$1 million. A second or subsequent offense is punishable as a Class 2 felony (20 years to life in prison) and a fine of not more than \$2 million. The transmission of money derived from, or traceable to, racketeering activity is punishable as a Class 6 felony (1-5 years).

Current data does not provide sufficient detail to identify the number of individuals who would be convicted of a felony under § 18.2-348.1 or under RICO provisions under the proposed legislation. Due to the lack of data, the Virginia Criminal Sentencing Commission has concluded, pursuant to §30-19.1:4 of the Code of Virginia, that the impact of the proposed legislation on state-responsible (prison) bed space cannot be determined. In such cases, Chapter 2 of the 2018 Acts of Assembly, Special Session I requires that a minimum impact of \$50,000 be assigned to the bill.

The Commonwealth presently pays the localities \$4.00 a day for each misdemeanor or otherwise local responsible prisoner held in a jail and \$12.00 a day for each state responsible inmate. It also funds a considerable portion of the jails' operating costs, e.g. correctional officers. The state's share of these costs on a per prisoner, per day basis varies from locality to locality. However, according to the Compensation Board's most recent Jail Cost Report (November 2018), the estimated total state support for local jails averaged \$33.83 per inmate, per day in FY 2017.

9. Specific Agency or Political Subdivisions Affected: Department of Corrections, local and regional jails, Commonwealth's Attorneys, and Courts.

10. Technical Amendment Necessary: None

11. Other Comments: None