

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: HB258ER

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

2. Patron: Simonds

3. Committee: Passed both houses

4. Title: Department of Criminal Justice Services; hotels; human trafficking training.

5. Summary: The proposed legislation directs the Department of Criminal Justice Services, under the direction of the Criminal Justice Services Board, to develop an online course to train hotel proprietors and their employees to recognize and report instances of suspected human trafficking. The bill requires that every hotel proprietor, at no cost to the hotel proprietor and its employees, require its employees to complete such human trafficking training course developed by the Department or an alternative online or in-person training course approved by the Department within six months of being employed by a hotel and thereafter at least once every two years, for as long as the employee is employed by the hotel. The bill requires DCJS to approve or disapprove of the use of any alternative online or in-person training course within 60 days of the submission of such training course for approval. The proposed legislation also exempts short-term property, as defined, from the definition of “hotel” as used in the section. The proposed legislation also defines “employee” to mean any person employed by a hotel that (i) has frequent or regular interactions with guests, such as front desk staff, hotel porters, hotel concierge, restaurant waiting and bartending staff, or room service staff; (ii) is in a management position; or (iii) has access to the guest's room, including housekeeping staff.

6. Budget Amendment Necessary: Yes, Item 406; The Introduced Budget (HB30/SB30) also provides two positions and \$347,551 in the first year and \$370,101 in the second year from the general fund (Item 406) for services related to human trafficking response and coordination efforts.

7. Fiscal Impact Estimates: Final (see Item 8 below).

8. Fiscal Implications: DCJS reports that information from the American Hotel & Lodging Association states that the Commonwealth of Virginia has 1,500 hotels and 116,449 hotel employees that would be subject to the requirements established as a result of the proposed legislation.

According to DCJS, the resources provided in the introduced budget would enable the agency to absorb the increase in workload associated with developing and administering an online course for hotel employees, and approving alternative courses.

However, DCJS reports that it would need additional funding for delivering the online course, as required by the proposed legislation. DCJS states that based on the agency's previous experience, the online course would be delivered through a learning management system (LMS) provided by a vendor. DCJS states that the charge paid to a vendor for an LMS varies, and is based on the number of active users, typically anywhere from \$2 to \$5 per user. The agency reports that such a platform may cost approximately \$232,898, assuming the rate of \$2 per user as an estimate, and the figure of 116,449 hotel employees in the Commonwealth. DCJS reports that the figure for the LMS would be ongoing given the requirement in the proposed legislation that employees take such training at least once every two years, for as long as the employee is employed by the hotel.

9. Specific Agency or Political Subdivisions Affected: Department of Criminal Justice Services.

10. Technical Amendment Necessary: No.

11. Other Comments: None.