

Fiscal Estimate - 2015 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 15-0733/1	Introduction Number AB-0267
------------------------------------	---

Description
 Investigation of a child abuse report in which a person who is not a caregiver of the child is suspected of permitting, allowing, or encouraging the child to engage in prostitution; and prohibiting prosecuting a person under the age of 18 with committing an act of prostitution

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input checked="" type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		
<input checked="" type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Towns Village Cities
 Counties Others
 School Districts WTCS Districts

Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	20.437(1)(e), 20.437(1)(cx), and/or 20.437(1)(b)

Agency/Prepared By	Authorized Signature	Date
DCF/ Susan Robillard (608) 266-7357	Kim Swissdorf (608) 261-0616	9/14/2015

Fiscal Estimate Narratives

DCF 9/14/2015

LRB Number	15-0733/1	Introduction Number	AB-0267	Estimate Type	Original
Description Investigation of a child abuse report in which a person who is not a caregiver of the child is suspected of permitting, allowing, or encouraging the child to engage in prostitution; and prohibiting prosecuting a person under the age of 18 with committing an act of prostitution					

Assumptions Used in Arriving at Fiscal Estimate

Effective May 29, 2017, changes in federal law require states to do the following related to child victims of sex trafficking and the states' definition of child abuse and neglect:

1. Provide procedures for identifying and assessing all reports involving known or suspected child sex trafficking victims;
2. Provide procedures for training CPS workers about identifying, assessing and providing comprehensive services to children who are sex trafficking victims, including efforts to coordinate with state law enforcement, juvenile justice, and social service agencies such as runaway and homeless youth shelters;
3. Collect and report, to the maximum extent practicable, the number of children who are victims of sex trafficking as part of the national Child Abuse and Neglect Data System (NCANDS); and
4. Consider any child who is identified as a victim of sex trafficking or severe forms of trafficking as a victim of "child abuse and neglect" and "sexual abuse."

Under current state law, child welfare agencies have the discretion to screen in cases where the alleged maltreater is a non-caregiver. Also, under current state statute, law enforcement agencies may, but are not required to, notify child protective service agencies of child victims of sex trafficking. In Milwaukee County, the DCF Bureau of Milwaukee Child Welfare (BMCW) is currently receiving notification from law enforcement and screening in all types of suspected sex trafficking cases, including cases where the alleged abuser (child sex trafficker) is a non-caregiver. In the balance of state (BOS) counties, some counties are screening in cases where the alleged maltreater is a non-caregiver. However current practices across the BOS counties are not consistent.

Under the bill, law enforcement agencies are required to notify the local child protective services agency if they have reason to suspect that a child is engaged in prostitution. The child protective services agency is required to screen in the case and investigate, if possible, whether or not the alleged abuser (i.e. trafficker) is a non-caregiver.

Milwaukee County

In Milwaukee, residential treatment and services for girls who are victims of sex trafficking is available through the Lad Lake Residential Treatment program and the Grateful Girls Safe Haven Group Home. Lad Lake houses a unit with five beds. The daily rate is \$349, and the length of stay is twelve months. Therefore, the cost per child for a twelve month stay is \$127,385. Based on five beds, the annual reimbursement to Lad Lake for this unit is \$636,925. Grateful Girls currently has three placements in its group home, which provides sex and human trafficking specialized victims support services at a daily rate of \$198. With a length of stay of twelve months, the cost per placement is \$72,270/year. For three placements, the total cost is \$216,810/year. The total cost for this care (\$853,735 annually) is currently included in BMCW out-of-home placement costs administered by DCF and serves eight youth annually. Children and youth who have been victims of sex trafficking have a broad range of needs. To address the distinct and significant needs of trafficking victims, specialized services are needed that are trauma-informed, culturally appropriate, individualized, and address their physical and mental health needs. Services must be structured to minimize the risk that the sex trafficked victims will be lured away or run away from the service setting.

In the first six months of CY 15 the average monthly referral rate to BMCW for suspected sex trafficking victims was five. If this referral rate continues at an average rate of five per month, the total at year's end will be 60 youth in the Milwaukee area. Of these referrals, approximately half have been confirmed or generated high concern. BMCW has also indicated that frequently victims run away before the agency is

able to follow up with services. Therefore, the actual number of victims physically available to be served is some number less than the 30 screened-in referrals estimated for CY 15. BMCW already serves eight of these youth in Lad Lake and Grateful Girls. Given the specialized needs of sex-trafficked youth, a residential treatment center or a specialized group home could be the best placement for the remaining youth screened-in as a sex-trafficked victim.

If, using the cost of treatment at Lad Lake and Grateful Girls, 20 additional girls could receive the necessary treatment in a residential center (12 girls x \$127,385/bed) or group home (8 girls x \$72,270/bed) setting similar to that offered by Lad Lake and Grateful girls, the cost is estimated at an additional \$2.1 million annually.

Balance of State (BOS) Counties

The extent of sex trafficking cases in the BOS counties is unknown at this time. Currently, Milwaukee accounts for approximately one-third of the overall out-of-home caseload. If the BOS caseload of sex trafficked victims equals the Milwaukee County caseload, then the costs for the BOS would be \$2.9 million annually. If the BOS caseload of sex trafficked victims is double the number of the Milwaukee County caseload, then the cost would be \$5.8 million annually. If the BOS caseload of sex trafficked victims is triple the number of the Milwaukee County caseload, then the cost would be closer to \$8.7 million annually. Therefore, the estimated cost of providing services to sex trafficked victims in the balance of state is between \$2.9 million and \$8.7 million annually, depending on the number of victims of sex trafficking in the BOS.

2015 Wisconsin Act 55

Act 55 provides \$2.0 million in SFY 17 to DCF to purchase or provide treatment services for children who are victims of sex trafficking. Under the law, DCF must ensure that treatment and services are available to children in all geographic areas of the state, including both urban and rural communities. DCF plans on using the funds for both residential treatment and community-based services. This funding will partially offset the increased costs of providing services to victims of sex trafficking under the bill.

The total fiscal estimate, which includes increased costs for Milwaukee County and the BOS counties, less the funding provided under Act 55, is a range from \$3.0 million to \$8.8 million annually.

Long-Range Fiscal Implications