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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 415  
133<sup>rd</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 415's Bill Analysis](#)

**Version:** As Introduced

**Primary Sponsor:** Rep. Powell

**Local Impact Statement Procedure Required:** No

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### Highlights

- The number of violations for county criminal justice systems to adjudicate is likely to be relatively small with any additional costs being minimal at most annually and potentially absorbed by utilizing existing staff and resources. Revenue in the form of court costs, fees, and fines may offset those costs to some degree.
- There may be a negligible annual gain in locally collected state court costs credited to the Indigent Defense Support Fund (Fund 5DY0) and the Victims of Crime/Reparations Fund (Fund 4020).
- As a result of the possibility of additional convictions under the state's Corrupt Activities Law, local criminal justice systems and the Attorney General may collect more revenue in the form of fines, court costs, and court-ordered cost reimbursements, as applicable.
- The Department of Rehabilitation and Correction may experience an increase in marginal costs, which currently range between \$3,000 and \$4,000 per offender per year.

### Detailed Analysis

#### Receiving proceeds of prostitution

The bill prohibits a person from knowingly receiving or acquiring money or any other thing of value from a prostitute earned from sexual activity for hire. A violation of "receiving proceeds of prostitution" is generally a third degree felony. However, if the offender knowingly receives proceeds of prostitution from a prostitute who is under 18, the violation is a second degree felony. (The sentences and fines for violations are summarized in the table below.)

## **Engaging in a pattern of corrupt activity**

This new offense is also included in the existing “corrupt activity” statute. If certain violations meet the criteria for “engaging in a pattern of corrupt activity” under R.C. 2923.32, the offender may also be subject to the penalties for a first degree felony under the state’s Corrupt Activities Law. The sentencing court has the option to:

- Impose a fine in lieu of the general fine for a first degree felony not exceeding the greater of three times the gross value gained or three times the gross loss caused payable to the state’s existing Corrupt Activity Investigation and Prosecution Fund (Fund 6290);
- Assess court costs, and/or;
- Assess investigative and prosecutorial costs.

It is unknown how often a sentencing court would impose these types of sanctions or how often a case would meet the criteria for prosecution of “engaging in a pattern of corrupt activity.” Existing data indicates that the option to impose a fine as described in the first dot point above is rarely used. From CY 2000 to date, no deposits have been made to Fund 6290.

## **Criminal justice system impact**

The number of violations of “receiving proceeds of prostitution” or “engaging in a pattern of corrupt activity” resulting in new criminal cases is expected to be relatively low. Based on information gathered from subject matter experts, this behavior would likely be tied to other possible offenses, for instance “compelling prostitution” or “promoting prostitution.” As an additional charge, the likely result would be to give prosecutors additional avenues in which to prosecute the prohibited behavior. Some cases may traverse the legal system as originally charged, while others may be pled down. Others may be dismissed outright in lieu of an amended charge.

Any additional costs for county criminal justice systems to prosecute, adjudicate, and sanction offenders is likely to be minimal at most annually, and potentially absorbed by utilizing existing staff and resources. Money collected from violators (fines and court costs and fees) may offset those costs to some degree. In the case of a felony, the state collects a \$60 court cost from the offender divided as follows: \$30 to the Indigent Defense Support Fund (Fund 5DY0) and \$30 to the Victims of Crime/Reparations Fund (Fund 4020).

To the extent that additional offenders are convicted of this new offense and sentenced to prison, the Department of Rehabilitation and Correction may experience an increase in marginal costs. Those marginal costs currently range between \$3,000 and \$4,000 per year.

<b>Fines and Sentences for Violations Under the Bill (Receiving Proceeds of Prostitution)</b>			
<b>Prohibition</b>	<b>Felony Level</b>	<b>Fines</b>	<b>Possible Term of Incarceration</b>
Knowingly receiving or acquiring money or any other thing of value from a prostitute earned from sexual activity (generally)	F-3	Up to \$10,000	9, 12, 18, 24, 30, or 36 months definite prison term
Knowingly receiving or acquiring money or any other thing of value from a prostitute under 18 years of age	F-2	Up to \$15,000	2, 3, 4, 5, 6, 7, or 8 years indefinite prison term*
Engaging in a pattern of corrupt activity	F-1	(1) Up to \$20,000, or (2) fine not exceeding the greater of 3x the gross value gained or 3x the gross loss caused payable to the state's Corrupt Activity Investigation and Prosecution Fund (Fund 6290)	3, 4, 5, 6, 7, 8, 9, 10, or 11 years indefinite prison term*

\*The sentencing court imposes a minimum sentence for first and second degree felony offenses committed after March 22, 2019. The court specifies a maximum sentence that is 50% greater than the minimum sentence. The court is permitted, after a hearing, to reduce the minimum sentence by 5% to 15% upon recommendation of the Department of Rehabilitation and Correction.