

THE TEXAS ALCOHOLIC BEVERAGE COMMISSION HUMAN TRAFFICKING

AN ISSUE BRIEF FROM LEGISLATIVE BUDGET BOARD STAFF

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OBJECTIVE

The Texas Alcoholic Beverage Commission's (TABC) objective is to be more effective in combating human trafficking.

KEY FACTS

- ◆ TABC is represented on the Attorney General's Human Trafficking Prevention Task Force.
- ◆ TABC has been involved in several successful investigations that resulted in convictions of perpetrators of human trafficking.

BUDGETARY IMPACT

TABC estimates \$28,520 in direct expenditures for human trafficking and prostitution investigations during FY 2012. Similar expenditures are anticipated for fiscal years 2013 through 2015.

STATUTORY REFERENCES

The Attorney General's Human Trafficking Prevention Task Force was established by Government Code, Section 402.035.

Chapter 11 of the Alcoholic Beverage Code contains several changes made by the Eighty-second Legislature.

Section 104.07 of the Alcoholic Beverage Code established the requirement for certain businesses to post the National Human Trafficking Hotline Number.

The Texas Alcoholic Beverage Commission (TABC) plays a significant role in combating human trafficking in Texas. Due to the general investigative and enforcement power granted by statute, TABC is in a unique position to help curb human trafficking at TABC-licensed locations. In addition, TABC is represented on the Attorney General's Human Trafficking Prevention Task Force.

RECENT LEGISLATION

Recent legislation grants specific responsibilities to TABC with regard to human trafficking.

In 2007 the Legislature amended the Alcoholic Beverage Code to require that certain TABC license and permit holders post a sign advertising the National Human Trafficking Hotline Number in English and Spanish.

Legislation passed in 2009 established a human trafficking prevention task force under the supervision of the Office of the Attorney General to develop policies and procedures to assist in the prevention and prosecution of human trafficking crimes. The legislature mandated that TABC shall have representation on the task force.

House Bill 2014, a broad human trafficking bill passed by the Eighty-second Legislature in 2011, included several changes to Chapter 11 of the Alcoholic Beverage Code:

- Removed the option for license/permit holders to pay a civil penalty in lieu of suspension or cancellation for trafficking, prostitution, breach of peace, gambling, or other offenses.
- If a license/permit holder or a license/permit applicant allows their license, permit, or application to expire while there is a hearing pending regarding a protest involving human trafficking, the applicant or license/permit holder cannot obtain a TABC license or permit for three years.
- If a license or permit is canceled for an offense involving prostitution or human trafficking, no applicant may obtain an on-premises license or permit for that specific location for 12 months.

TABC'S ROLE

Since 2005, the Texas Alcoholic Beverage Commission has investigated multiple cases involving victims from Central America and Mexico who were purchased by bar owners and then forced into prostitution in or near TABC-licensed businesses. TABC personnel have unique access to these locations, and the owners and employees of the businesses through inspections, interviews, and requests for information. TABC personnel also have access to information about these locations, such as financial records, bank accounts, tax records, ownership status, and employee information. This access grants TABC a unique role in assisting other law enforcement organizations in investigating and stopping human trafficking at TABC-licensed establishments.

TABC'S INVOLVEMENT

TABC was first involved in a human trafficking case during 2004. A human trafficking task force involving TABC and the Federal Bureau of Investigation (FBI) conducted an investigation resulting in the rescue of approximately 120 women and girls who had been enslaved and forced into prostitution. This activity was taking place in TABC-licensed cantinas in Houston. Ten individuals were convicted of crimes ranging from probation for making a false statement on a TABC application to 15 years in prison for forced labor and human smuggling violations.

In 2010, a TABC agent received information regarding illegal activities occurring on a TABC-licensed premise in Mission, TX and made contact with the McAllen Immigrations and Customs Enforcement Office (ICE). The resulting investigation, which involved TABC, ICE, and the Hidalgo County Sheriff's Office, ended with the rescue of three female human trafficking victims from Honduras. The owner of the establishment was subsequently convicted of 3 counts of sex trafficking and sentenced to 30 years in prison.

In addition to the criminal prosecutions, the commission was able to successfully revoke the TABC-issued licenses/permits for these locations. The loss of these licenses essentially resulted in the termination of these businesses.

In FY 2012, the Commission estimated \$28,520 in direct expenditures for investigations related to human trafficking and prostitution.

OPPORTUNITIES FOR COORDINATION

TABC has suggested additional language in the Alcoholic Beverage Code that would require other law enforcement agencies to send the Commission reports and other data concerning organized criminal activity, trafficking of persons, or compelling prostitution that occurs on the premises of a TABC licensee. Current law only requires this notification for cases involving shootings, stabbings, or other public disturbances. The Commission believes this would enable it to prosecute a case against a licensee or permittee in a timelier manner.

USEFUL REFERENCES

More information regarding the Texas Alcoholic Beverage Commission's role in combating human trafficking can be found at the Commission's website at https://www.tabc.state.tx.us/enforcement/human_trafficking.asp.

CONTACT

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