

Senate Judiciary Committee

Pete Mulvey 271-4063

HB 405, establishing a commission to study human trafficking within illicit massage businesses and relative to prostitution and related offenses.

Hearing Date: April 17, 2025

Time Opened: 1:48 p.m.

Time Closed: 2:43 p.m.

Members of the Committee Present: Senators Gannon, Abbas, McConkey, Altschiller and Reardon

Members of the Committee Absent : None

Bill Analysis: This bill:

I. Establishes a commission to study human trafficking within illicit massage businesses and provides for the commission's eventual repeal.

II. Enhances the penalties for certain prostitution-related offenses.

Sponsors:
Rep. Layon

Who supports the bill: 47 individuals signed in support of HB 405-FN. Contact peter.mulvey@gc.nh.gov for further details.

Who opposes the bill: Two individuals signed in opposition to HB 405-FN. Contact peter.mulvey@gc.nh.gov for further details.

Who is neutral on the bill: One individual signed in as neutral toward HB 405-FN. Contact peter.mulvey@gc.nh.gov for further details.

Summary of testimony:

Representative Terry Roy

Rockingham – District 31

- HB 405-FN was drafted by Rep. Erica Layon.
- The issue of human trafficking and illicit massage parlors was significant and serious.
- These businesses appeared in smaller towns across the entire State.
- Rep. Roy recognized that the illicit businesses moved quickly, making it difficult to track patrons. There were often storefronts to mask the function of the establishment as well.

- Law enforcement agencies needed probable cause and warrants to get information.
- Rep. Roy believed that genuine parlors, the real estate community, law enforcement, and the townsfolk all must be brought together regarding the issue of human trafficking for illicit massage businesses.
- Rep. Roy maintained that the trafficked women were prisoners. Many were foreign, many were smuggled in, and likely did not know of their whereabouts.
- When one shop is closed, the same organizers will establish another place elsewhere.
- Rep. Roy urged the committee to adopt the bill as amended by the House.

Representative Erica Layon

Rockingham – District 13

- Rep. Layon introduced HB 405-FN because Derry, a community in her district, had incidentally hosted illicit massage businesses in the past.
- Rep. Layon recognized that the Office of Professional Licensure and Certification is a business hours operation, and did not conduct inspections at 2-3 o'clock in the morning when trafficked individuals were moved from location-to-location.
- Rep. Layon did not believe that someone committing human trafficking would be warded off by a \$250 fine from OPLC.
- Sections three through five were critical according to Rep. Layon; Sections three through five increased the penalties for prostitution.
- Many of the charges relating to prostitution were not pursued because they were typically misdemeanors according to Rep. Layon.
- The commission would be charged to study regulation and licensure under RSA 328-8, and 328-B. Rep. Layon questioned why the commission did not include anybody from the advisory board of massage therapists, nor reflexive body work and Asian body work therapists.
- Rep. Layon asked that more individuals and stakeholders be added to the commission.
- Rep. Layon added that potential changes to the single party consent law may enable plain clothes officers to investigate illicit businesses with greater-ease moving forward.

Dave Caron

Town Administrator - Derry

- Mr. Caron spoke in support and asked the committee to pass HB 405.
- The Derry Town Council had worked effectively and adopted ordinances to target illicit massage parlors with stricter license procedures.
- The council recently rescinded two licenses for violations according to Mr. Caron.
- The town's prevention was transitory – there was no statewide database preventing a transfer elsewhere.
- Mr. Caron maintained that a study commission would look at the overarching issue holistically to greater address it and improve safety.
- Sen. Altschiller asked Mr. Caron if Derry was part of the 2017 Homeland Security Task Force enforcement actions.
 - Mr. Caron indicated that the event was before his time but believed that Derry was subject to the action.
- Sen. Altschiller asked if expanding licensure would be wise.

- Mr. Caron believed that improved licensure would be very beneficial.

George Feole

Chief of Police, Derry New Hampshire

- Mr. Feole had been a police officer in Derry for over 45 years.
- Mr. Feole is secretary for the New Hampshire Chiefs of Police Association
- Mr. Feole testified in support of HB 405.
- Illicit businesses were a statewide issue, not just a Derry issue.
- Derry had six businesses in January of 2025 which could be considered illicit massage businesses. The businesses operated as storefronts, were in single family structures, and sometimes office buildings in the commercial district.
- In the past the Derry Police investigated past complaints of prostitution at the aforementioned locations.
- A proprietor of a business in Derry was convicted of prostitution in Delaware, and had their license revoked. The next day, a completely new individual appeared in the town and requested to reopen the license and business according to Ms. Feole.

David McCormack

Task Force Officer – Department of Homeland Security

- Mr. McCormack spoke in support of the bill.
- Mr. McCormack was assigned as a task force officer on Homeland Security's Human Trafficking Task Force.
- When Mr. McCormack made an arrest, which shut down a business, it reopened the very next day under new ownership.
- Mr. McCormack found that facilitation of prostitution being a misdemeanor charge was unacceptable
- Massachusetts increased their penalties for prostitution to be felonies which ultimately drove illicit businesses up to New Hampshire.
- Mr. McCormack detailed that Chinese nationals paid roughly \$30k to be smuggled into the country. To repay their debt they are trapped into sex-slavery.
- Felony charges would facilitate charging the owners according to Mr. McCormack.
- Sen. Altschiller asked if Mr. McCormack had heard from survivors if they were reluctant to come forward because they were indentured or had food or shelter tied to those businesses.
 - Mr. McCormack said no. Gangs out of Flushing in Queens organized and ran the parlors. People were rotated. The task force unfortunately had difficulty accessing victims to detail their experiences because the overarching organization moved them by the time the authorities would get the chance to interdict.
- Sen. Altschiller asked if a commission would help Mr. McCormack in his work.
 - Mr. McCormack said it would.

Representative Charles Foote

Rockingham – District 13

- Rep. Foote spoke in support of the bill.
- Rep. Foote serves as Town Council Chairman for Derry.
- Rep. Foote had worked for over seven years combatting illicit massage parlors in Derry.
- The issue was not new or unique to Derry, or New Hampshire. It was an international issue, and the State needed more teeth to provide prosecution.
- There are an estimated 6-12 illicit massage businesses at a time in Derry.
- There is a complete lack of oversight, and the misdemeanor charge was not intimidating enough to curb behavior according to Rep. Foote.

Representative Jodi Nelson

Rockingham – District 13

- Rep. Nelson spoke in support of the bill.
- Rep. Nelson said the issue of illicit massage businesses had deeply affected Derry for years.
- The human trafficking element was deeply concerning for citizens and disturbing given it was right under their noses
- Many of these establishments were next to schools, family stores, and other businesses
- Rep. Nelson had monitored message boards which customers frequented, where the customers were explicit in instructing interested consumers as to where to go, what services were offered, by whom, and for how much.
- Sometimes customers recognized or insinuated that the trafficked individuals could not leave.
- Trafficking and prostitution are significant public health issues. Safe sex practices are not followed or encouraged. Namely, condoms are prohibited because when subject to a raid, that is evidence.

Representative Jennifer Rhodes

Cheshire – District 17

- Rep. Rhodes actively serves as the vice chair for the House Criminal Justice and Safety Committee.
- The original bill was a study committee. Stakeholders believed that a commission would be more comprehensive.
- Rather than fix leaks with patchwork, everyone working toward a collective goal at the same place and same time was preferable.
- The end goal of the proposal is to free people from a lifetime of sexual slavery.
- Rep. Rhodes suggested the House Executive Departments and Administration Committee had killed past efforts to do similar work.
- Law enforcement was begging for HB 405's provisions to be tools in their toolbox according to Rep. Rhodes.
- When Massachusetts enhanced their penalties, people shifted the business up to New Hampshire.

- The prospective commission is not concerned with legitimate business, rather just the illicit variety. Rep. Rhodes emphasized that anyone can be brought to speak and contribute, which did not mean the bill must have them written in.
- Rep. Rhodes urged the committee to pass the bill as amended by the House and assured the committee of the effort which the amendment was subject to.
- Rep. Rhodes elaborated that the commission would have an interim report published in January to enable legislation to be drafted.

Rebecca Cleary

Attorney and Policy Analyst, Decriminalize Sex Work

- Ms. Cleary believed that a study was necessary prior to contemplating increased penalties.
- Ms. Cleary was concerned regarding sections three and beyond.
- Ms. Cleary took issue with the fact that the study commission in HB 405-FN is charged with analyzing the benefits of changing the existing law, and then the bill proceeds to change the existing law which the committee is meant to contemplate.
- In New Hampshire statute, trafficking remains to be a class A felony, as does coercion. Ms. Cleary did not think it made sense to increase other penalties without studying, because clearly the aforementioned felonies did stop illicit businesses.
- Because section III is so broad, it could apply to situations outside of massage parlors according to Ms. Cleary.
- Consensual prostitution in the home would be a felony under HB 405, which may prove costly for the State, and liberty and privacy.
- In cases of trafficking, Ms. Cleary maintained that the State has robust statutes, which were well enumerated.
- The laws prohibiting prostitution were clear in that depending on where it occurred, whether it involved a minor, or whether it was coercive, it was automatically a felony.
- Sen. Abbas asked what other states did to address the issues raised in the hearing.
 - Ms. Cleary said that Rhode Island issued a study commission report last year. Most of the Northeastern states have robust trafficking laws. Existing laws were not being used to prosecute, and Ms. Cleary found the disconnect hard to pin down.
 - Ms. Cleary found the penalty increases in HB 405 blanketed and concerning.
- Sen. Abbas asked what the Rhode Island study commission recommended.
 - Ms. Cleary said that the study wasn't tailored toward massage parlors, and that there were many recommendations.
- Sen. Altschiller asked if Ms. Cleary worked with decriminalizing prostitution.
 - Ms. Cleary said she had worked with decriminalization before but that the breadth of her experience was broad and encompassed healthcare and safety. She said her work ultimately concerned where criminalization came against health and safety concerns.
- Sen. Altschiller asked if her organization is called decriminalize sex work
 - Ms. Cleary said that is true

Trisha Newalu

Founder, Erotic Labor Alliance New England

- Ms. Newalu worked in adult content creation and has had several studios in New Hampshire.
- Ms. Newalu identified herself as a Stratham resident.
- Ms. Newalu said that some massage workers offered services to consenting adults.
- Commercial sex acts between two consenting adults were distinguished from trafficking by Ms. Newalu.
- An individual should not go to prison for an erotic exchange concerning consenting adults.
- Ms. Newalu noted that no one from the Erotic Labor Alliance is included in the prospective study commission.
- The increased penalties were premature according to Ms. Newalu. She suspected that they may ruin the lives of consenting adults and suggested that the initial study committee in the bill as introduced should be retained with all proper stakeholders included.
- Sen. Abbas asked how there would be a distinction at the enforcement level between trafficking and voluntary arrangements.
 - Ms. Newalu said that clearly delineating volunteer arrangements, and coerced acts would provide distinction.
 - Ms. Newalu clarified that her content studio was completely legal and had been since 2008.
 - The Erotic Labor Alliance provides a checklist of questions to ask individuals suspected of trafficking and criteria to classify a potentially coerced individual.
- Sen. Altschiller asked Ms. Newalu if individuals were notified that what they were doing was illegal in the State of New Hampshire but not necessarily everywhere else when the Erotic Labor Alliance conducted outreach.
 - Ms. Newalu said that her organization represented everyone under the umbrella of erotic labor, adult actors, dancers, prostitutes, and massage therapists. Ms. Newalu said that individuals were aware of when they were transacting illegally or not.

Pamela Keilig

Public Policy Specialist, New Hampshire Coalition Against Domestic and Sexual Violence

- Ms. Keilig spoke in support and asked the committee to pass the bill as amended by the House.
- New Hampshire's penalties for prostitution must be enhanced to match the neighboring State of Massachusetts' to shake our safe-haven status according to Ms. Keilig.
- Recent news articles have covered the pervasiveness of the issue in the State.
- Ms. Keilig reiterated her support of HB 405-FN.

Meg Chant

Director, Human Trafficking Collaborative Task Force

- Ms. Chant spoke in support of HB 405-FN.
- The Human Trafficking Collaborative Task force works to combat illicit massage businesses.
- Illicit massage businesses are run by exploitative, organized, and comprehensive criminal rings.

- HB 405-FN does not include or pertain to non-coercive sex work incorporating massage, or legitimate massage providers.
- Ms. Chant emphasized that legitimate massage providers face harassment because of the illicit businesses' impact on the practice and its perception.
- Increased exposure to safety risks persists in the massage industry.
- Investigations are complex – initiation is difficult in opaque situations. Arrests may come years after an investigation; victim and witness input are critical and accessing them is difficult in it of itself.
- Ms. Chant noted that traffickers told their victims that if they sought help or reported anything, they would get charged themselves, as well.
- Sen. Abbas asked if there had been an increase in trafficking in New Hampshire since Massachusetts increased their penalties for prostitution.
 - Ms. Chant said that was correct, the difference since their legislation passed was significant.
- Sen. Altschiller asked Ms. Chant if Massachusetts required licensure for establishments in addition to providers for massages.
 - Ms. Keilig responded and said she believed that was true, and added that national best practice was to license the establishments as well as the providers.

PM

Date Hearing Report completed: April 21, 2025