

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0489-01
Bill No.: SB 1
Subject: Crimes and Punishment; Highway Patrol; Employees–Employers; State Employees; Children and Minors
Type: Original
Date: February 5, 2007

Bill Summary: The proposed legislation requires criminal background checks for certain employees in positions with substantial direct contact with children.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	(More than \$164,525)	(More than \$284,165)	(More than \$289,689)
Total Estimated Net Effect on General Revenue Fund	(More than \$164,525)	(More than \$284,165)	(More than \$289,689)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Criminal Records	\$84,000	\$84,000	\$84,000
Various State Funds	(\$48,000)	(\$48,000)	(\$48,000)
Total Estimated Net Effect on <u>Other</u> State Funds	\$36,000	\$36,000	\$36,000

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	3 FTE	3 FTE	3 FTE
Total Estimated Net Effect on FTE	3 FTE	3 FTE	3 FTE

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Attorney General, Department of Mental Health, Department of Health and Senior Services, Department of Public Safety – Director’s Office, Springfield Police Department, Boone county Sheriff’s Department, Kansas City School District, and Parkway Public Schools** assume the proposal would have no fiscal impact on their agencies.

Officials from the **Office of State Courts Administrator** assume the proposed legislation would have no fiscal impact on the courts.

Officials from the **Department of Elementary and Secondary Education** assume the proposal will have little to no impact on their agency. Employees within the department who have substantial contact with children under the age of seventeen are currently subjected to background checks. In addition, all pupil-contact individuals seeking employment in the schools currently undergo background checks.

Officials from the **Department of Conservation (MDC)** state they currently complete criminal background checks for conservation agent positions. The proposed legislation would expand those checks to include positions that have significant contact with children and would have an estimated impact on MDC funds of less than \$10,000 annually.

Officials from the **Department of Social Services – Division of Youth Services (DYS)** assume the provisions in the proposal would cause the division to incur an overtime liability of approximately \$125,442 per year to cover vacant positions while background checks are being conducted. In addition, DYS estimates at least 580 background checks will be required to fill vacancies. DYS estimates the cost of these background checks to be \$20,880. In summary, the total fiscal cost to DYS is Unknown, but more than \$100,000.

Officials from the **Department of Social Services – Children’s Division (DOS–CD)** assume the legislation would result in a cost to the DOS–CD for implementing fingerprinting on all new Children’s Service Workers and Children’s Service Supervisors. In FY2006, the Division had 342 Children’s Service Workers leave and 25 Children’s Service Supervisors leave. Based on this information, the CD estimates that it will need to replace 367 workers who will need to be fingerprinted and have background checks before they can be hired. Currently, the Highway Patrol charges \$14 for state only checks. For now, the Highway Patrol waives the \$14 for state agencies, but that may change in the future. The federal check, which the Division would have to

ASSUMPTION (continued)

pay, costs \$24. The Division assumes that this would only apply to new employees. The following is a calculation of the cost to the Children's Division:

Number of Hires: 367
Cost per Check: $\$14 + \$24 = \$38$
Total Annual Cost: $367 \times \$38 = \$13,946$

Officials from the **Department of Social Services – Human Resource Center (DOS–HRC)** assume a significant number of employees in the Children's Division (CD) and the Division of Youth Services (DYS) would be covered by this legislation. This amounts to approximately 3,500 DSS employees that may be impacted by this legislation. Administrative oversight to ensure that the background searches are being conducted consistently with the law would be needed. Given HRC's responsibility for department-wide human resource oversight, this would be a function assigned to HRC. Given the number of employees involved, HRC projects that two additional professional staff and one clerical staff would be needed to fulfill this additional function. These individuals would coordinate the collection and processing of the fingerprints of the potential employees, the transmission and processing of the information to the Highway Patrol or the FBI. They would also be responsible for communicating results with the appropriate facility. FTE may also be needed to monitor contractors to ensure compliance; however, this cost would rest with the divisions utilizing contractors falling under the provisions of this legislation. The cost of these background checks was not incorporated into our fiscal note because this would normally be paid by the hiring division (i.e., CD, DYS).

DOS–HRC assumes the cost of the 3 FTE would be approximately \$125,000 per fiscal year.

Oversight assumes DOS-HRC will not need to rent additional space for the three new FTE and has taken this expense out of their estimate.

Officials from the **Department of Public Safety – Division of Fire Safety (DFS)** assume DFS currently employs thirteen fire safety inspectors whose primary duty is to conduct fire safety inspections in day care homes and centers, and other facilities licensed by the State. While not in direct contact with the children, these inspectors spend well-over 70% of their time in close proximity to children.

As the bill is written, the DFS would not be required to conduct background checks on existing inspection staff. However, should an opening arise, DFS would be required to conduct a background check on a selected applicant prior to hiring. It is the current policy to conduct background checks on all Division applicants prior to hiring. Within our Fire Investigation Unit,

ASSUMPTION (continued)

DFS has a certified Mules technician who provides this service. It is assumed this practice would be acceptable for fulfilling the intent of this legislation. Should the background check reveal a history of offenses under sections 589.400 to 589.425, RSMo, or any offense similar in nature, the applicant will not be hired.

Officials from the **Department of Public Safety – Missouri State Highway Patrol (MSHP)** assume the Criminal Records Division has no way to tell how many additional background checks will be requested due to this proposed legislation; however, for the purpose of this fiscal note MSHP estimates the following:

2,000 (state employees) and 5,000 (non-state employees) fingerprints per year (these numbers could be higher or lower)

State fingerprint processing fees are \$14 (waived for state employment)

FBI fingerprint processing fees are \$24; however, \$2 is retained in the Criminal Records Fund as administrative fee

For 2,000 state employees:

2,000 x \$22 = \$44,000 (passed-through to the FBI)

2,000 x \$2 = \$4,000 (retained in the Criminal Records System Fund as administrative fee)

Total = \$48,000 (State fingerprint fee is waived)

For 5,000 non-state employees:

5,000 x \$22 = \$110,000 (passed-through to the FBI)

5,000 x \$2 = \$10,000 (retained in the Criminal Records System Fund as administrative fee)

5,000 x \$14 = \$70,000 (state fingerprint fee)

Total = \$190,000

Grand Total Revenue = \$48,000 + \$190,000 = \$238,000

Grand Total Passed-through to FBI = \$44,000 + \$110,000 = \$154,000

Grand Total State Revenue = \$4,000 + \$10,000 + \$70,000 = 84,000

Oversight will assume the Missouri Highway Patrol will continue to waive the state fee for background checks.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
GENERAL REVENUE FUND			
<u>Costs – DOS - Youth Services</u>			
Overtime	<u>(More than \$100,000)</u>	<u>(More than \$100,000)</u>	<u>(More than \$100,000)</u>
<u>Costs - DOS - Human Resources</u>			
Personal Service	(\$101,335)	(\$124,693)	(\$128,433)
Fringe Benefits	(\$46,270)	(\$56,935)	(\$58,643)
Expense and Equipment	<u>(\$16,920)</u>	<u>(\$2,537)</u>	<u>(\$2,613)</u>
<u>Total Costs - DOS - Human Resources</u>	(\$164,525)	(\$184,165)	(\$189,689)
FTE Change - DOS	3 FTE	3 FTE	3 FTE
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
	<u>(More than \$164,525)</u>	<u>(More than \$284,165)</u>	<u>(More than \$289,689)</u>
Estimated Net FTE Change for General Revenue Fund	3 FTE	3 FTE	3 FTE
CRIMINAL RECORDS FUND			
<u>Revenues – Missouri State Highway Patrol</u>			
Fingerprint fees	\$238,000	\$238,000	\$238,000
<u>Transfers out – Missouri State Highway Patrol</u>			
To FBI	<u>(\$154,000)</u>	<u>(\$154,000)</u>	<u>(\$154,000)</u>
ESTIMATED NET EFFECT ON CRIMINAL RECORDS FUND			
	<u>\$84,000</u>	<u>\$84,000</u>	<u>\$84,000</u>

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2008 (10 Mo.)	FY 2009	FY 2010
VARIOUS STATE FUNDS			
<u>Costs – Various State Agencies</u>			
Background checks	<u>(\$48,000)</u>	<u>(\$48,000)</u>	<u>(\$48,000)</u>
ESTIMATED NET EFFECT TO VARIOUS STATE FUNDS	<u>(\$48,000)</u>	<u>(\$48,000)</u>	<u>(\$48,000)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

The proposal could have an impact on small businesses whose employees have substantial direct contact with children.

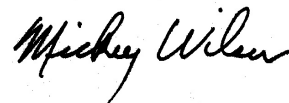
FISCAL DESCRIPTION

The proposal requires criminal background checks for certain employees in positions with substantial direct contact with children.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Attorney General
Office of State Courts Administrator
Department of Elementary and Secondary Education
Department of Mental Health
Department of Health and Senior Services
Department of Public Safety
 – Missouri State Highway Patrol
 – Division of Fire Safety
 – Director's Office
Department of Conservation
Boone County Sheriff's Department
Kansas City Public Schools
Parkway Public Schools
Springfield Police Department



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