

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1175-07
Bill No.: HCS for SCS for SB 369 and SB 550
Subject: Highway Patrol
Type: Original
Date: April 26, 2007

Bill Summary: This proposal modifies the various provisions for the Highway Patrol.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	(\$250,000)	(\$250,000)	(\$250,000)
Total Estimated Net Effect on General Revenue Fund	(\$250,000)	(\$250,000)	(\$250,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Various	\$0 to (\$36,720)	\$0 to (\$36,720)	\$0 to (\$36,720)
Total Estimated Net Effect on Other State Funds	\$0 to (\$36,720)	\$0 to (\$36,720)	\$0 to (\$36,720)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 11 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
Total Estimated Net Effect on FTE	0	0	0

- 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	\$242,500	\$242,500	\$242,500

FISCAL ANALYSIS

ASSUMPTION

Sections 43.030 - 43.547 - Missouri Highway Patrol;

Officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** state the proposal would create various provisions to the Highway Patrol.

Section 43.546, RSMo;

The Criminal Records and Identification Division of the Missouri State Highway Patrol estimate that there are approximately 60,000 state employees with an approximate turnover rate of 17% per year. $60,000 \times 17\% = 10,200$ employees.

It is estimated that 15% or less, of those 10,200 employees would be in occupations that would require fingerprint checks. $10,200 \times 15\% = 1,530$ employees.

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

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

$1,530 \text{ employees} \times \$22 = \$33,660$ (passed - through to the FBI)

$1,530 \text{ employees} \times \$2 = \$3,060$ (retained in the Criminal Records System Fund as administrative fee).

Section 43.547 RSMo;

The Highway Patrol assumes no more than 50 gubernatorial appointees during an election year and less during off years.

State processing fingerprint fees are \$14 (waived at the current time for state employees). FBI processing fingerprint fees are \$24 (pass-through fees to the FBI).

$50 \text{ appointees} \times \$24 = \$1,200$ (pass-through fees to the FBI , i.e., not retained in the Criminal Records System fund). Because this amount is so small, this section of the proposed legislation is being treated as "no impact".

ASSUMPTION (confidential)

In response to a previous version of this proposal, officials from the **Department of Social Services - Youth Services** estimated that at least 500 background checks will be required to fill vacancies. The division assumes an average of 25% due to job offers declined, disqualifying findings, and need to conduct multiple checks prior to making an offer.

Based on the provision that fingerprinting would be \$20 per applicant, the division assumed the cost of fingerprint checks for its new hires to be between \$8,330 and \$10,000 during the first three years.

In response to a previous version of this proposal, officials from the **Department of Social Services - Human Resources** stated the language appears to make conducting fingerprint background checks an option, rather than mandatory. It also appears that we could require the applicant/employee to pay the cost for the check. For those reasons, a fiscal impact could not be determined at this time.

In response to a previous version of this proposal, officials from the **Department of Social Services - Children's Division (CD)** stated they now pay for fingerprints for 9,000 caregivers and applicants. This bill would increase the Division's cost by \$6 for each individual; therefore, it would result in additional fiscal impact of \$54,000.

Oversight assumes this version of the proposal keeps the fee on background checks on foster families at \$14, therefore, CD will not incur the increase in fees.

This legislation may result in a cost to the CD if fingerprint checks are implemented on all new Children's Service Workers and Children's Service Supervisors. In FY2006, the Division had 345 Children's Service Workers leave and 25 Children's Service Supervisors leave. Based on this information, the CD estimates that it would have to fingerprint 367 employees per year. Currently, the Highway Patrol charges \$14 for state only checks. The Highway Patrol waives the \$14 for state agencies. If the fee is no longer waived and the fee increase in this bill is passed on to the Division, the Division would be charged \$20 for each newly hired employee. This would result in a cost of \$7,340 per year (367 x \$20). The CD assumes this new cost would be split between the General Revenue Fund and Federal Funds.

ASSUMPTION (confidential)

Total cost calculation:

Division employees =	\$7,340 (optional)
Foster/Kin/Relative providers and applicants =	<u>\$54,000</u>
Total	= \$61,340
Total Fiscal Impact	= \$54,000 to \$61,340

Officials from the **Office of the Secretary of State** note that many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to Secretary of State's office for Administrative Rules is less than \$2,500. The Secretary of State's office recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what our office can sustain with our core budget.

Therefore, we reserve the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

In response to a similar proposal from this year, officials from the **Department of Corrections, Department of Insurance, Financial Institutions and Professional Registration, Missouri Ethics Commission, Office of Administration - Administrative Hearing Commission, Department of Health and Senior Services, Department of Natural Resources, Department of Agriculture, Department of Mental Health, Department of Revenue, Office of the State Treasurer, Department of Higher Education, Joint Committee on Public Employee Retirement, Office of the State Auditor, Department of Economic Development, Office of the Lieutenant Governor, Department of Labor and Industrial Relations, Department of Conservation, Office of the State Courts Administrator, Office of Prosecution Services, Missouri Consolidated Health Care Plan, State Tax Commission, Missouri Senate, Department of Public Safety - Fire Safety and the Water Patrol, Office of Administration - Division of Personnel, Department of Transportation, Office of Prosecution Services, Missouri House of Representatives, Department of Public Safety - Director's Office** and

ASSUMPTION (confidential)

Veterans' Commission and the **Office of the State Public Defender** each assumed the proposal would either not fiscally impact their respective agencies or impact their agencies by a minimal amount that could be absorbed within existing resources.

Oversight assumes the provisions allowing state agencies to require fingerprinting of applicants and criminal history records checks are permissive. Therefore, Oversight has ranged the cost from \$0 to \$36,720 per fiscal year to various state funds.

Oversight assumes the MHP will continue to waive the name background check fees to state agencies.

Sections 195.503 & 650.120 - Multijurisdictional Enforcement Groups;

In response to a similar proposal from this year (SB 256), officials from the **Department of Public Safety (DPS)** stated they awarded 12 grants in FY 2007 with the current appropriation of \$250,000. Assuming this proposal adds another grant program, DPS assumes the need for a 1,000 hour Program Representative and associated expenses to provide oversight necessary for the expanded program. DPS assumes the cost of the part time employee to total roughly \$22,000 per year.

Oversight assumes with the passage of this proposal, the Department of Public Safety will establish another grant program with the focus of investigating Internet sex crimes against children and would have a similar fiscal impact as the grant program for multijurisdictional internet cyber crime law enforcement task forces. Since not more than three percent of the funding may be used by DPS to pay the administrative costs of the grant program, Oversight will assume DPS will be allowed administrative costs of \$7,500 (3% of \$250,000 - which will reduce the grant totals to \$242,500). Like the current funding for grants to multijurisdictional Internet cyber crime law enforcement task forces, Oversight will assume the funding will be made from the General Revenue Fund.

Oversight also assumes changing the statutes to allow these groups to use the grant moneys to purchase equipment (expanded from salaries and training) would not fiscally impact the state.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
GENERAL REVENUE			
<u>Costs - Department of Public Safety</u>			
Grants to Multijurisdictional enforcement groups	(\$242,500)	(\$242,500)	(\$242,500)
<u>Costs - Department of Public Safety</u>			
Administrative costs allowed (3% of grant totals)	(\$7,500)	(\$7,500)	(\$7,500)
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>(\$250,000)</u>	<u>(\$250,000)</u>	<u>(\$250,000)</u>
 VARIOUS STATE FUNDS			
<u>Costs - Various state agencies</u>			
To Criminal Records Fund for fingerprint background checks (43.546)	<u>\$0 to (\$36,720)</u>	<u>\$0 to (\$36,720)</u>	<u>\$0 to (\$36,720)</u>
ESTIMATED NET EFFECT TO VARIOUS STATE FUNDS	<u>\$0 to (\$36,720)</u>	<u>\$0 to (\$36,720)</u>	<u>\$0 to (\$36,720)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
LOCAL POLITICAL SUBDIVISIONS			
<u>Income - grants for multijurisdictional enforcement groups</u>	<u>\$242,500</u>	<u>\$242,500</u>	<u>\$242,500</u>
ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	<u>\$242,500</u>	<u>\$242,500</u>	<u>\$242,500</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This act modifies various provisions relating to law enforcement personnel.

Section 43.030

Under this act, the Superintendent shall no longer be required to reside in Jefferson City. The Superintendent shall be appointed from the uniformed membership of the Patrol.

Section 43.050

The Superintendent may enter into an agreement with the Missouri Gaming Commission to enforce any law, rule, or regulation, conduct background investigations under the laws of this state, and enforce the regulations of licensed gaming activities. Members of the patrol hired in conjunction with such an agreement are not subject to the personnel cap. If such an agreement is terminated, the members shall not be subject to the personnel cap for five years, rather than three years. Currently, all members of the patrol hired in conjunction with the community-oriented policing services federal grant are not subject to the personnel cap. Under this act, only those member positions originally acquired in conjunction with the grant shall be exempt.

Sections 43.060 & 590.030

This act modifies the educational requirements for Highway Patrol members and radio personnel. It also requires the POST Commission to establish these same educational requirements as part of the minimum standards for the basic training of peace officers.

Section 43.090

The provision requiring the board of public buildings to provide offices for the Highway Patrol General Headquarters in Jefferson City is also repealed. This act modifies the staffing and administrative requirements that the Superintendent must meet at the general headquarters and troop headquarters.

Section 43.220

This act removes reference to the Missouri State Highways and Transportation Commission's power over the Patrol from statute.

FISCAL DESCRIPTION (continued)

Section 43.546

This act allows any state agency, board, or commission to require an applicant to provide fingerprints in specified occupations or appointments for the purposes of positive identification and receiving criminal history record information when determining the applicant's ability to serve in such an occupation or appointment.

In order to do so, the applicant or employee must submit a set of fingerprints. These fingerprints and the accompanying fees are forwarded to the Highway Patrol to search the state criminal history repository and the FBI for a national criminal background check. All records related to any criminal history information discovered shall be accessible to the state agency making the request.

Section 43.547

This act requires the Highway Patrol, at the direction of the Governor, to conduct name or fingerprint background investigations of gubernatorial appointees. The Governor's directive shall state whether such background investigation shall be a name or fingerprint background investigation. If a fingerprint background investigation is ordered, the appointee must submit a set of fingerprints. These fingerprints and the accompanying fees are forwarded to the Highway Patrol to search the state criminal history repository and the FBI for a national criminal background check.

In addition to the name and fingerprint background investigations, the Highway Patrol may, at the Governor's direction, conduct other investigations to determine if an applicant or appointee has paid his or her required taxes and establish the person's suitability for positions of public trust.

The background investigations may include criminal history record information and other source information obtained by the Highway Patrol.

Section 44.020

Currently, the State Emergency Management Agency operates under the Office of the Adjutant General. This act reorganizes the agency under the Department of Public Safety.

Sections 195.503 & 650.120

This act allows grant money received by multijurisdictional Internet cyber crime law enforcement task forces to be used to purchase necessary equipment, supplies, and services. Currently, the grant money received by such task forces may only be used to pay law enforcement salaries and to provide training.

FISCAL DESCRIPTION (continued)

Currently, multijurisdictional enforcement groups under Chapter 195, RSMo, are allowed to investigate computer, Internet-based, narcotics, and drug violations. This act changes the definition of such groups in Section 195.503, RSMo, to reflect this power. Under this act, multijurisdictional enforcement groups are allowed to received grant money to investigate internet sex crimes against children.

This act allows up to 3% of the money appropriated to the Department of Public Safety for the grant program to be used for administrative costs.

The arrest power of peace officers authorized as a member of a multijurisdictional Internet cyber crime law enforcement task force shall only be used when the officer is an active member of such task force and within the scope of the investigation. The officers shall have the power of arrest anywhere in the state and shall provide prior notification to the local police chief or sheriff of an arrest in his or her jurisdiction. However, if exigent circumstances exist, such arrest may be made and notification shall be made to the police chief or sheriff as soon as possible. The police chief or sheriff may elect to work with task forces within his or her jurisdiction.

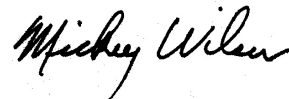
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety
Department of Revenue
Office of the State Treasurer
Department of Higher Education
Joint Committee on Public Employee Retirement
Office of the State Auditor
Department of Economic Development
Office of the Lieutenant Governor
Department of Labor and Industrial Relations
Department of Conservation
Office of the State Courts Administrator
Missouri Consolidated Health Care Plan
Office of Prosecution Services
State Tax Commission
Missouri Senate
Office of the State Public Defender

SOURCES OF INFORMATION

Missouri Gaming Commission
Lottery Commission
Office of the Secretary of State
Department of Mental Health
Missouri House of Representatives
Department of Corrections
Department of Natural Resources
Department of Agriculture
Department of Transportation
Department of Health and Senior Services
Office of Administration
Department of Social Services
Office of the Attorney General
Missouri Ethics Commission



Mickey Wilson, CPA
Director
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