

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1762S.01I
Bill No.: SB 464
Subject: Department of Health and Senior Services; Highway Patrol
Type: Original
Date: February 3, 2023

Bill Summary: This proposal modifies provisions relating to marijuana facility background checks.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Criminal Record System	Up to \$165,000	Up to \$198,000	Up to \$198,000
Total Estimated Net Effect on <u>Other</u> State Funds	Up to \$165,000	Up to \$198,000	Up to \$198,000

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

\$195.780 – Background checks related to marijuana facilities

Officials from the **Department of Health and Senior Services**, the **Department of Public Safety (DPS) - Missouri Highway Patrol (MHP)** and the **Office of Administration** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight obtained additional information from the DPS-MHP regarding background check fees. Current background check fees cost \$41.75 each, broken out as follows:

\$20.00	State fee
\$13.25	Federal Fee
<u>\$ 8.50</u>	Vendor fee
\$41.75	Total

In addition to the State fee of \$20, the state receives \$2 as a pass-through fee from federal government. Therefore, for each background check conducted, \$22 will be deposited into the Criminal Record System Fund (#0671).

Oversight also obtained additional information from the DHSS projecting the number of ID applications they anticipate receiving as a result of the passage of Amendment 3. DHSS said they anticipate receiving 9,000 agent ID applications for each FY2024 and FY2025 and don't expect agent applications to increase significantly past the numbers projected for FY 2025. Currently, DHSS started issuing agent licenses in April 2020 and the licenses are valid for three years, therefore, DHSS estimates renewals occurring starting in 2023. DHSS projects the same average beyond the period of the fiscal note and doesn't anticipate tapering off of applications.

Since the actual number of applications is unknown, Oversight assumes the impact to the Criminal Records System Fund could be up to \$198,000 annually (\$22 * 9,000 applications).

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
CRIMINAL RECORD SYSTEM FUND (#0671)			
<u>Income – DPS-MHP – increase in background checks (\$195.780)</u>	<u>Up to \$165,000</u>	<u>Up to \$198,000</u>	<u>Up to \$198,000</u>
ESTIMATED NET EFFECT ON THE CRIMINAL RECORD SYSTEM FUND	<u>Up to \$165,000</u>	<u>Up to \$198,000</u>	<u>Up to \$198,000</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

Small businesses may be impacted by this proposal if they pay the background check fees of employees. (§195.780)

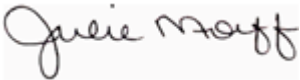
FISCAL DESCRIPTION

Under this act, the Department of Health and Senior Services shall require all employees, contractors, owners, and volunteers of marijuana facilities to submit fingerprints to the Highway Patrol for a state and federal criminal background check. The Highway Patrol shall notify the Department of any criminal history record information or lack thereof discovered on the individual. All such records shall be accessible and available to the Department. (§195.780)

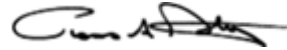
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Health and Senior Services
Department of Public Safety - Missouri Highway Patrol
Office of Administration



Julie Morff
Director
February 3, 2023



Ross Strobe
Assistant Director
February 3, 2023