

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4310-01
Bill No.: HB 1962
Subject: Children and Minors
Type: Original
Date: April 14, 2014

Bill Summary: This proposal revises the definition of “child-care worker” as it relates to the Family Care Safety Act and requires child-care workers to submit to fingerprinting for comparison by the Federal Bureau of Investigations.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Criminal Records	\$440,000	\$88,000	\$88,000
Total Estimated Net Effect on <u>Other</u> State Funds	\$440,000	\$88,000	\$88,000

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
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 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety (DPS) - Missouri State Highway Patrol (MHP)** state the Department of Health and Senior Services indicates there are approximately 20,000 child care workers in Missouri that would be required to submit to fingerprinting as a result of this legislation. Based on a 20% annual turnover rate, the Criminal Justice Information Services (CJIS) Division anticipates 4,000 new fingerprint submissions would be required for subsequent years following the initial licensure.

The charge for each background check processed is \$44.80. Twenty dollars for the state fingerprint check, \$16.50 for the federal check, and an \$8.30 charge for the electronic fingerprint option used through a third-party vendor ($\$20 + 16.50 + 8.30 = \44.80). Of this amount, the state retains the \$20 fee and \$2 of the federal charge of \$16.50 for a pass-thru fee. The \$8.30 charge is paid directly to the vendor at the time of application.

Estimated FY15 Impact

20,000 x \$36.50 fees (state/federal background check)	\$730,000
20,000 x \$14.50 (federal background check charge)	<u>\$290,000</u>
Net impact to Criminal Records Fund	\$440,000

Estimated Impact for FY16 and beyond

4,000 x \$36.50 fees (state/federal background check)	\$146,000
4,000 x \$14.50 (federal background check charge)	<u>\$58,000</u>
Net impact to Criminal Records Fund	\$ 88,000

Oversight notes the effective date for this proposal is January 1, 2015. Based on discussions with DPS-MHP officials, most background checks are performed by a contractor. Officials indicated that all of the initial 20,000 background checks would be performed in FY15.

Officials from the **Department of Social Services (DSS) - Children's Division (CD)** state this proposal would have no fiscal impact on the CD. All CD registered providers already submit to fingerprinting which is then compared to the records maintained by the Federal Bureau of Investigations. Licensed child care providers and their employees would be required to submit fingerprints under this legislation. Those entities are regulated by the Department of Health and Senior Services.

ASSUMPTION (continued)

Officials from the **Department of Mental Health (DMH)** state the legislation appears to place no obligation or requirement on the DMH that would result in a fiscal impact. It is assumed that facilities operated by the DMH and employees of mental health facilities do not fall under the definition of “child care provider” or “child care worker”. If that assumption is not correct, all offers of employment with the DMH are conditionally based on successful completion of background checks, which include fingerprinting.

Officials from the **Department of Elementary and Secondary Education**, the **Department of Health and Senior Services** and **Fulton Public Schools** each assume the proposal would not fiscally impact their respective agencies.

Officials from the following **schools**: Blue Springs Public Schools, Branson Public Schools, Carondelet Leadership Academy, Charleston R-I Schools, Cole R-I Schools, Columbia Public Schools, Fair Grove Schools, Francis Howell Public Schools, Independence Public Schools, Jefferson City Public Schools, Kirksville Public Schools, Kirbyville R-VI Schools, Lee Summit Public Schools, Malden R-I Schools, Malta Bend Schools, Mexico Public Schools, Monroe City R-I Schools, Nixa Public Schools, Parkway Public Schools, Pattonville Schools, Raymore-Peculiar R-III Schools, Raytown School District, Sedalia School District, Sikeston Public Schools, Silex Public Schools, Special School District of St. Louis County, Spickard School District, St Joseph School District, St Louis Public Schools, St. Charles Public Schools, Sullivan Public Schools and Warren County R-III School District did not respond to **Oversight’s** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (6 Mo.)	FY 2016	FY 2017
CRIMINAL RECORDS FUND			
<u>Income - DPS-MHP</u>			
Fingerprinting fees	\$730,000	\$146,000	\$146,000
<u>Costs - DPS-MHP</u>			
Federal background check	<u>(\$290,000)</u>	<u>(\$58,000)</u>	<u>(\$58,000)</u>
ESTIMATED NET EFFECT ON THE CRIMINAL RECORDS FUND	<u>\$440,000</u>	<u>\$88,000</u>	<u>\$88,000</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (6 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal will have a direct fiscal impact on small business child-care providers if they pay the fingerprinting fee for applicant background checks.

FISCAL DESCRIPTION

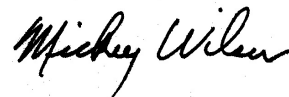
This proposal revises the definition of "child-care worker" as it relates to the Family Care Safety Act to any person who owns an entity providing child care, operates as or is employed by a child-care provider, or receives state or federal funds as remuneration for child-care services. All child-care workers must be required to submit to fingerprinting for comparison to the records maintained by the Federal Bureau of Investigation.

The proposal becomes effective January 1, 2015.

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 Elementary and Secondary Education
Department of Mental Health
Department of Health and Senior Services
Department of Social Services
Department of Public Safety -
Missouri State Highway Patrol
Fulton Public Schools



Mickey Wilson, CPA
Director
April 14, 2014

L.R. No. 4310-01
Bill No. HB 1962
Page 6 of 6
April 14, 2014

Ross Strobe
Assistant Director
April 14, 2014