

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3281-01  
Bill No.: Perfected HB 1483  
Subject: Department of Elementary and Secondary Education; Crimes and Punishment  
Type: Original  
Date: March 12, 2020

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Bill Summary: This proposal revises requirements for background checks for adult students and substitute teachers.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Criminal Record System Fund (0671)	Unknown to (Could exceed \$162,800)	Unknown to (Unknown)	Unknown to (Unknown)
<b>Total Estimated Net Effect on Other State Funds</b>	<b>Unknown to (Could exceed \$162,800)</b>	<b>Unknown to (Unknown)</b>	<b>Unknown to (Unknown)</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
<b>Local Government</b>	<b>Unknown to (Unknown)</b>	<b>Unknown to (Unknown)</b>	<b>Unknown to (Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

**Department of Elementary and Secondary Education (DESE)** officials assume this proposal would have no fiscal impact on their organization.

**Department of Public Safety - Missouri State Highway Patrol (MHP)** officials stated: The Department of Elementary and Secondary Education anticipates that this legislation would impact a relatively low number of individuals totaling approximately 100 applicants per year equaling \$2,200 deposited in the Criminal Record System Fund annually.

100 applicants x \$22.00 = \$2,200 deposited in the Criminal Record System Fund annually.

The cost for a state and federal fingerprint based criminal record check is **\$33.25**, per request. The state portion of the record check fee is \$20.00 and the federal portion is \$13.25. If the submitting agency chooses to utilize the state fingerprint services vendor, then an additional \$8.50 is charged by the vendor for this service. Thus, the fee breakdown per request is as follows:

State Fee: \$20.00

Federal Fee: \$13.25

**Total (state and federal Fee) \$33.25**

Total (state, federal and vendor fee): \$41.75

The total amount retained in the Criminal Record System Fund after paying the FBI is \$22.00 per request. This equals \$20.00 for the state fee, pursuant to Section 43.530, and \$2.00 of the federal fee, pursuant to 28 CFR 20.31(e) (2) and the current fee schedule as posted in the Federal Register.

The amendment would require technical system changes to be completed by the MSHP's Criminal History vendor at an estimated cost of \$165,000, based on previous projects with a similar scope of work and utilizing one of our vendors. The required changes would be based on the functionality of the system and the registration process. Allowing multiple registrations changes the functionality as well as how the coding and the system work. The changes are approximated to be effective January 1, 2022.

There are 560 public school districts, and the initial registration is already law. The Patrol assumes each additional registration costs \$5.00. Based on the estimation of 5 substitutes per district utilizing the additional registration option, this would equate to 2,800 substitutes. The following is the estimated fiscal impact based on the above 2,800 substitutes utilizing the extra registrations:

ASSUMPTION (continued)

- 1 extra registration at  $\$5.00 \times 2,800 = \$14,000$
- 2 extra registrations at  $\$10.00 \times 2,800 = \$28,000$
- 3 extra registrations at  $\$15.00 \times 2,800 = \$42,000$
- 4 extra registrations at  $\$20.00 \times 2,800 = \$56,000$

**Oversight** assumes this proposal could reduce the number of initial background checks if some substitutes utilize the additional registration option rather than getting another background check. This would potentially be a net loss of \$15 per additional registration (\$20 state fee - \$5 additional registration fee).

Alternatively, **Oversight** assumes this proposal could induce substitute teachers to use the additional registration option who otherwise would have not have substituted for more than one school district. This would potentially be a gain of revenue for each additional registration.

**Oversight** cannot estimate the number of background checks that would no longer be needed or the number of substitutes who utilize the additional registration option. Therefore, Oversight will show a Could exceed \$165,000 loss to an unknown gain in revenue for the Criminal Records Systems Fund and a corresponding savings or costs to school districts in the implementation year, and unknown loss to unknown gain in the following years.

**Oversight** received a no responses from school districts related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

**Oversight** only reflects the responses that we have received from state agencies and political subdivisions; however, school districts were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

**Oversight** notes if school districts must perform background checks on adult students not counted for purposes of average daily attendance, the Criminal Record System Fund (0671) income would increase \$2,200 (using the estimate given by the MHP) and school districts cost would increase \$4,175 (100 x \$41.75).

<u>FISCAL IMPACT - State Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
<b>CRIMINAL RECORD SYSTEM FUND GENERAL REVENUE</b>			
<u>Cost</u> - Criminal history system changes	(\$165,000)	\$0	\$0
<u>Revenue Gain or (Loss)</u> - from backgrounds checks no longer needed for different districts	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)
<u>Revenue Gain</u> - from background checks on adult students not counted towards average daily attendance	<u>\$2,200</u>	<u>\$2,200</u>	<u>\$2,200</u>
<b>ESTIMATED NET EFFECT ON CRIMINAL RECORD SYSTEM FUND</b>	<b>Unknown to Could exceed <u>(\$162,800)</u></b>	<b>Unknown to <u>(Unknown)</u></b>	<b>Unknown to <u>(Unknown)</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
<b>SCHOOL DISTRICTS</b>			
<u>Savings or Costs</u> - to school districts for substitutes utilizing the additional registration option	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)
<u>Cost</u> - for background checks on adult students not counted towards average daily attendance	<u>(\$4,175)</u>	<u>(\$4,175)</u>	<u>(\$4,175)</u>
<b>ESTIMATED NET EFFECT ON SCHOOL DISTRICT FUNDS</b>	<b>Unknown to <u>(Unknown)</u></b>	<b>Unknown to <u>(Unknown)</u></b>	<b>Unknown to <u>(Unknown)</u></b>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This bill requires criminal background checks to be conducted on any person who is 18 years of age or older, who is not counted by the district for purposes of average daily attendance, and who requests enrollment in a course that takes place on school property during regular school hours.

The background check shall be conducted before the person enrolls in any such course, and a guilty plea or verdict for any crime or offense under Section 168.071, RSMo, shall prohibit enrollment as outlined in the bill.

In addition, this proposal allows a substitute teacher to designate up to five school districts to receive the result of a criminal background check.

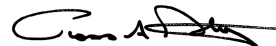
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education  
Department of Public Safety - Missouri State Highway Patrol



Julie Morff  
Director  
March 12, 2020



Ross Strope  
Assistant Director  
March 12, 2020