

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 15, 2007

TO: Honorable Bill Callegari, Chair, House Committee on Government Reform

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB3139 by Menendez (Relating to criminal history checks for state employees, applicants for state employment, and certain other persons who may perform work for the state.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3139, As Introduced: an impact of \$0 through the biennium ending August 31, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	\$0
2009	\$0
2010	\$0
2011	\$0
2012	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/ (Loss) from <i>GENERAL REVENUE FUND</i> 1	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1	Change in Number of State Employees from FY 2007
2008	\$1,085,518	(\$1,085,518)	4.0
2009	\$1,105,068	(\$1,105,068)	4.0
2010	\$1,124,958	(\$1,124,958)	4.0
2011	\$1,145,222	(\$1,145,222)	4.0
2012	\$1,165,826	(\$1,165,826)	4.0

Fiscal Analysis

The bill would amend the Government Code relating to criminal history checks for state employees, applicants for state employment, and certain other persons who may perform work for the state.

The bill would amend Government Code, Chapter 411 which requires the Department of Public Safety to implement a system to provide immediate notice to a state agency regarding updates to state employee criminal history records. The bill would also repeal Government Code, Section 411.1405(a) (1). The bill would take effect September 1, 2007.

Methodology

Currently, most state employees are not subject to criminal history background checks. DPS assumes that the provisions of the bill would require the agency to conduct criminal background checks on all state and contract employees. Based on the analysis of Department of Public Safety (DPS), it is assumed the bill would require the following additional criminal history records checks to be conducted: 63,854 in 2008, 65,004 in 2009, 66,174 in 2010, 67,366 in 2011, and 68,578 in 2012. These estimates are based on a combination of full-time state agency FTEs, part-time state agency FTEs, and state agency contractors and subcontractors.

DPS states that fees associated with fingerprint based criminal history checks include: a \$15.00 fee per check for the Texas criminal history search, a \$22.00 fee per check for the Federal Bureau of Investigations (FBI) criminal history search, and \$2.00 fee per check for Texas FBI processing. Based on the fee structure currently assessed for criminal history record checks conducted through fingerprints, the record checks would generate the following additional General Revenue collections: \$2,490,306 in 2008, \$2,535,156 in 2009, \$2,580,786 in 2010, \$2,627,274 in 2011, and \$2,674,542 in 2012. The state does collect the \$22.00 per fee for the FBI criminal history search, but those funds are paid to the federal government for services rendered. The following FBI fees have been reduced from the total General Revenue estimate: \$1,404,788 in 2008, \$1,430,088 in 2009, \$1,455,828 in 2010, \$1,482,052 in 2011, and \$1,508,716 in 2012. The total General Revenue collected from the provisions of the bill would be: \$1,085,518 in 2008 (\$2,490,306 - \$1,404,788), \$1,105,068 in 2009 (\$2,535,156 - \$1,430,088), \$1,124,958 in 2010 (\$2,580,786 - \$1,455,828), \$1,145,222 in 2011 (\$2,627,274 - \$1,482,052), and \$1,165,826 in 2012 (\$2,674,542 - \$1,508,716). It is assumed the remaining General Revenue would be appropriated to DPS to pay for the administrative expenses of the criminal history program.

Currently, DPS provides this service and would need additional FTEs due to increased workload for state employee criminal record checks. The analysis assumes that the agency's costs would be less than the revenue generated and some of that revenue would be used to hire four additional FTEs.

Technology

No significant fiscal implications to technology is anticipated.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 405 Department of Public Safety

LBB Staff: JOB, MN, GG, LG