

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION
Revision 1

March 5, 2007

TO: Honorable Florence Shapiro, Chair, Senate Committee on Education

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

IN RE: SB9 by Shapiro (Relating to the dissemination of criminal history record information for certain purposes, including the certification and employment of educators and other public school employees who engage in certain misconduct.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB9, As Introduced: a positive impact of \$3,298,000 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	(\$244,000)
2009	\$3,542,000
2010	\$747,000
2011	\$1,103,000
2012	\$661,000

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
2008	\$14,575,000	(\$14,819,000)
2009	\$18,100,000	(\$14,558,000)
2010	\$10,225,000	(\$9,478,000)
2011	\$10,225,000	(\$9,122,000)
2012	\$10,225,000	(\$9,564,000)

Fiscal Year	Change in Number of State Employees from FY 2007
2008	95.0
2009	95.0
2010	71.5
2011	65.5
2012	65.5

Fiscal Analysis

The bill would require that all employees and applicants for employment at a school district; open-enrollment charter school; a shared services arrangement that would require the employee or applicant to work on school property or at another location where students are regularly present; and entities that contract with school districts, open-enrollment charter schools, or shared services arrangements that provide services on school property or at another location where students are regularly present to submit to a national criminal history record information review prior to employment or the provision of services. The bill would require the employing school district, open-enrollment charter school, or shared services arrangement to submit employees' or applicants' fingerprints and other requested information to the Texas Education Agency (TEA). The bill would require TEA to review and investigate the national criminal history record information and report back to the employing school district, open-enrollment charter school, or shared services arrangement on the results.

TEA, school districts, or shared service arrangements are permitted to require employees or applicants to pay costs associated with obtaining criminal history record information required under the provisions of the bill.

The bill would require DPS to establish an electronic clearinghouse and subscription service to provide criminal history record information to persons entitled to access such information. The bill would allow DPS to charge a subscription fee to cover costs of administering the electronic clearinghouse.

Methodology

The increase in fingerprint submissions associated with the provisions of the bill would be expected to total about 325,000 in FY2008, about 400,000 in FY2009, and about 225,000 in each subsequent year to cover previously unchecked current employees of relevant entities, applicants for employment at relevant entities, and contractors. The largest component of the increase, previously unchecked current employees, would be expected to be checked over a two-year period beginning in FY2008.

Currently, the State Board for Educator Certification charges a \$47 fee to applicants for initial educator certification who are required to undergo a criminal history record review under current law. Based on that fee amount, revenues associated with the increase in fingerprint submissions would be estimated at about \$15.3 million in fiscal year 2008, about \$18.8 million in fiscal year 2009, and about \$10.6 million in each subsequent year. These revenues would be offset by a reduction in revenue associated with a decrease in demand for name-based checks through DPS of about \$700,000 annually in fiscal years 2008 and 2009 and about \$350,000 in each subsequent year.

DPS estimates that establishing and maintaining the Criminal History Records Information Clearinghouse created by the provisions of the bill would cost about \$11.6 million in fiscal years 2008 and 2009 and about \$8 million in subsequent years. Estimated costs include salaries and benefits for 47.0 additional FTEs required to establish and maintain the clearinghouse, provide training, and conduct audits on entities accessing and storing criminal record information; technology costs associated with establishing the clearinghouse; fees paid to the FBI to conduct national checks; and equipment and space to support 47 FTEs and the clearinghouse.

Criminal history record reviews conducted on teachers produce a positive response rate of about 1.5 percent. Positive responses must be investigated. It is anticipated that expanding criminal history record reviews to include all school employees would generate a positive response rate of about 6.5 percent. TEA estimates that 48.0 additional FTEs would be required to conduct investigations associated with the increase in the population of individuals subject to the criminal history record reviews in FY2008 and FY2009, scaling back to 24.5 additional FTEs in FY2010 and 18.5 FTEs in subsequent years. Associated costs are estimated at \$3.2 million in fiscal year 2008, \$3 million in fiscal year 2009, \$1.7 million in fiscal year 2010, and about \$1.3 million in subsequent years.

Technology

DPS estimates that enhancements to the AFIS database and purchase of additional hardware and software would be necessary to implement the provisions of the bill.

Local Government Impact

School districts and open-enrollment charter schools would be required to submit fingerprints to TEA for employees, applicants, and certain contractors under the provisions of the bill. They would be permitted to require the employees, applicants, and contractors to pay associated costs.

Source Agencies: 405 Department of Public Safety, 701 Central Education Agency

LBB Staff: JOB, JSp, UP, JSc