

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 23, 2009

TO: Honorable Mark Strama, Chair, House Committee on Technology, Economic Development & Workforce

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

IN RE: HB2519 by Parker (Relating to alternative methods of obtaining criminal history information and registration of private vendors to obtain criminal history information; providing a civil penalty.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2519, Committee Report 1st House, Substituted: an impact of \$0 through the biennium ending August 31, 2011.

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
2010	\$0
2011	\$0
2012	\$0
2013	\$0
2014	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/ (Loss) from <i>General Revenue Fund</i> 1	Change in Number of State Employees from FY 2009
2010	(\$172,512)	\$172,512	3.0
2011	(\$150,413)	\$150,413	3.0
2012	(\$150,389)	\$150,389	3.0
2013	(\$150,350)	\$150,350	3.0
2014	(\$150,215)	\$150,215	3.0

Fiscal Analysis

The bill would allow entities authorized or required under law to obtain criminal history record information to contract with a private vendor registered with the Texas Department of Licensing and Regulation (TDLR). The bill would require TDLR to develop criteria for registering a private vendor to perform criminal history background checks and identity verification. The bill would require TDLR to consult with law enforcement officials and industry experts to ascertain the latest trends and technologies available for conducting criminal background checks and identity verification. The bill would authorize TDLR to collect fees to cover the costs of administering the registration and regulation of the private vendors.

The bill would also authorize the attorney general to sue to collect a civil penalty and recover reasonable expenses in the case of a violation.

The bill would take effect immediately if it receives two-thirds votes of all the members elected to each house. If not, the bill would take effect September 1, 2009. TDLR would be required to develop criteria for registration no later than December 1, 2009.

Methodology

Based on the analysis of TDLR, the agency would need an additional 3.0 FTEs to implement the registration and regulation of private criminal history background check vendors: 1.0 Attorney I, 1.0 System Support Specialist, and 1.0 Investigator I. This analysis assumes that TDLR will be able to incorporate the regulation of these entities into the agency's existing structure for regulating other occupations.

TDLR anticipates annual updates of the criteria for registration based on security needs and the latest technologies. TDLR anticipates working with law enforcement agencies to implement this provision.

It is assumed that the Office of the Attorney General could absorb costs related to this bill within existing resources.

This analysis assumes that any increased costs to TDLR, which is statutorily required to generate sufficient revenue to cover its costs of operation, would be offset by an increase in fee generated revenue.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 452 Department of Licensing and Regulation

LBB Staff: JOB, JRO, MW, ES