

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 16, 2009

TO: Honorable Jane Nelson, Chair, Senate Committee on Health & Human Services

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

IN RE: SB67 by Nelson (Relating to the imposition of background and criminal history check requirements for operators and employees of certain facilities and agencies serving children, the elderly, or persons who are disabled.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB67, As Introduced: a negative impact of (\$408,837) 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	(\$408,837)
2012	\$20,397,163
2013	\$20,406,432
2014	\$20,406,432

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from General Revenue Fund 1	Probable (Cost) from General Revenue Fund 1	Probable (Cost) from GR Match For Medicaid 758	Probable (Cost) from Federal Funds 555
2010	\$0	\$0	\$0	\$0
2011	\$0	(\$408,242)	(\$595)	(\$6,711)
2012	\$20,990,558	(\$593,102)	(\$293)	(\$4,370)
2013	\$20,990,558	(\$583,875)	(\$251)	(\$2,900)
2014	\$20,990,558	(\$583,875)	(\$251)	(\$2,900)

Fiscal Year	Probable (Cost) from State Highway Fund 6	Change in Number of State Employees from FY 2009
2010	\$0	0.0
2011	\$0	9.5
2012	(\$11,231,495)	55.7
2013	(\$11,231,495)	55.7
2014	(\$11,231,495)	55.7

Fiscal Analysis

Section 1 of the bill would amend Section 42.056 of the Human Resources Code by expanding the population for which background and criminal history checks and fingerprint checks must be performed. Requests for fingerprint checks would be submitted by directors, owners, and operators of child-care facilities and child-placing agencies. Requests for checks would be submitted for current and prospective employees of these facilities and agencies.

Section 2 of the bill would amend Section 43.004 of the Human Resources Code to require a fingerprint check for individuals applying for either a child-care administrator's license or a child-placing agency administrator's license.

Section 3 of the bill would amend Chapter 161 of the Human Resources Code by adding a new section that would require the submission of a set of fingerprints by a director, owner or operator of a facility or agency serving patients who are elderly and/or disabled when applying for a license from the Department of Aging and Disability Services (DADS) and at least once every two years thereafter. The bill authorizes DADS to charge a fee equal to administrative costs.

Section 5 of the bill would specify that the provisions relating to background and criminal history checks apply only to those checks performed on or after September 1, 2011.

Although the estimate is a positive impact to General Revenue over the five-year period, additional funding and FTEs would need to be appropriated to the Department of Aging and Disability Services (DADS), the Department of Family and Protective Services (DFPS), and the Department of Public Safety (DPS) to implement the provisions of the bill.

The bill would take effect September 1, 2009.

Methodology

Calculations assume that implementation of the bill would require that 612,863 additional background and criminal history checks that would include FBI fingerprint-based checks, be performed in each fiscal year from 2012 through 2014.

The bill would result in a total increase in revenue of \$53,946,551 for the five years covered by this cost estimate from fees collected for the checks. Costs for the Department of Public Safety (DPS) listed below are assumed to be offset by this revenue increase starting in fiscal year 2012. However, a portion of this fee revenue (approximately \$31.7 million) is returned to the FBI for professional services as required by federal statute.

Costs for DFPS are estimated to be \$414,953 in All Funds for fiscal year 2011, \$597,472 for fiscal year 2012, and \$586,775 for fiscal years 2013 and 2014. Full-time-equivalent (FTE) needs are estimated at 4.5 in 2011 and 9.0 in each fiscal year thereafter. Although the provisions of the bill do not impact fiscal year 2011 directly, the agency indicates a need to begin hiring and training staff to handle the influx expected at the start of fiscal year 2012. Costs for DPS are estimated to be \$11,231,495 in All Funds in fiscal year 2011 and \$11,231,495 in each fiscal year thereafter, including approximately \$10.6 million per year returned to the FBI. These costs include 22.0 FTEs in fiscal years 2012-2014.

Costs for DADS are estimated to be \$842,759 in All Funds in fiscal year 2011, \$23,665,938 in fiscal year 2012, and \$23,437,751 in fiscal years 2013-2014. The amounts for 2012-2014 include Appropriated Receipts to reflect the fees associated with the fingerprint checks. Although the provisions of the bill do not impact fiscal year 2011 directly, the agency indicates a need to begin hiring and training staff to handle the influx expected at the start of fiscal year 2012.

Technology

DADS anticipates a technology impact of \$472,320 in fiscal year 2011 for system modifications needed to process fingerprint check results. There would be an estimated technology impact at DPS of

\$111,482 in fiscal years 2012-2014 for computers, printers, and enterprise agreements. These amounts are included in the costs above.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 405 Department of Public Safety, 530 Family and Protective Services, Department of, 539 Aging and Disability Services, Department of

LBB Staff: JOB, CL, PP, VJC