

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 14, 2011

TO: Honorable Sid Miller, Chair, House Committee on Homeland Security & Public Safety

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

IN RE: HB1051 by Kleinschmidt (Relating to the collection and use of fingerprints of an applicant for a driver's license, personal identification certificate, or commercial driver's license.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1051, As Introduced: an impact of \$0 through the biennium ending August 31, 2013.

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
2012	\$0
2013	\$0
2014	\$0
2015	\$0
2016	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue (Loss) from <i>General Revenue Fund</i> 1	Probable Savings from <i>General Revenue Fund</i> 1	Probable (Cost) from <i>State Highway Fund</i> 6
2012	(\$2,655,885)	\$2,655,885	(\$2,336,563)
2013	(\$2,655,885)	\$2,655,885	(\$1,382,821)
2014	(\$2,655,885)	\$2,655,885	(\$1,499,412)
2015	(\$2,655,885)	\$2,655,885	(\$1,524,454)
2016	(\$2,655,885)	\$2,655,885	(\$1,921,559)

Fiscal Year	Change in Number of State Employees from FY 2011
2012	20.0
2013	20.0
2014	26.0
2015	26.0
2016	32.0

Fiscal Analysis

The bill would amend the Transportation Code and Government Code to require the Department of Public Safety (DPS) to collect and retain the complete set of fingerprints of all applicants for driver's licenses, commercial driver's licenses, and personal identification certificates. The bill would prevent DPS from collecting a fee from state agencies for processing fingerprint-based criminal history background checks. The bill would require DPS to process fingerprint-based criminal history background checks for state agencies when a full set of fingerprints is available.

Methodology

DPS indicates they receive approximately 7,000 new applicants for the applicable licenses each day. The bill would require DPS to now collect full sets of fingerprints on each applicant. Additional FTEs and associated costs would be required in fiscal year 2012 and beyond to handle the additional fingerprint submissions to ensure the fingerprints are recorded and stored in a standard format. Currently, DPS only collects the thumbprints of the applicable applicants, so the agency would require additional technology resources to capture and store the full sets of fingerprints of the applicable applicants.

DPS would also require FTEs and associated costs to conduct criminal history background checks for state agencies, based on the full sets of fingerprints collected. These requests for background checks would bypass the current fingerprint and background check process and instead go directly to DPS instead of the vendor who processes initial requests and forwards results to DPS to provide to the requesting party.

However, the full sets of fingerprints collected would occur in a staggered manner as individuals applied for original or renewal driver's licenses. This analysis assumes state agencies would utilize the current system of fingerprint background checks for applicants who have not had their fingerprints recorded as required by the bill. Therefore, the necessary resources DPS would need to internally process the fingerprint-based background checks would be staggered. This analysis assumes DPS could implement the provisions of the bill related to internal background checks within existing resources in fiscal year 2012 and 2013, require half of the necessary resources in 2014 and 2015, and the full amount of resources in fiscal year 2016 and beyond.

The bill would prevent DPS from collecting a fee from state agencies for processing a fingerprint-based criminal history background check. DPS estimates there are approximately 177,059 requests from the applicable state entities for fingerprint-based background checks. Since DPS would no longer be able to collect the \$15 fee for these background checks, there would be a \$2,655,885 loss in General Revenue to DPS. This analysis assumes the various state agencies paying the \$15 fee would experience an aggregate cost savings in an equal amount.

Technology

DPS estimates technology costs to implement the provisions of the bill at \$996,000 in fiscal year 2012, \$177,190 in fiscal year 2013, and \$10,600 in fiscal year 2014. These costs would be required to implement the technology needed to capture all ten fingerprints of the applicants for the applicable licenses. Additionally, the costs would be required for systems analysis, programming, database administration, and program management related to the provisions of the bill.

Local Government Impact

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

Source Agencies: 405 Department of Public Safety

LBB Staff: JOB, ESi, GG