

FISCAL NOTE
Requested by Legislative Council
02/04/2009

Amendment to: SB 2123

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$320,850	\$0	\$134,550
Expenditures	\$0	\$0	\$1,247,653	\$323,645	\$932,847	\$137,345
Appropriations	\$0	\$0	\$1,247,653	\$323,645	\$932,847	\$134,345

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill increases the entities to which the Department of Human Services can require fingerprint-based criminal history record checks. The amendments to the bill do not change the fiscal impact.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

This bill allows for fingerprint-based criminal history record checks for:

- Employees hired by the Department,
- County social service board employees providing Department services,
- Licensed service providers of services to the mentally ill, developmentally disabled, child-placing agencies and substance abusers,
- Licensed and nonlicensed early childcare service providers, and
- Licensed legal guardian appointments and petitioners for adoption.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The bill provides for the Office of Attorney General to charge a reasonable fee to offset the cost of providing the background checks. Approximately 18,600 background checks are anticipated for the 2009-11 biennium and 7,800 for the 2011-13 biennium.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The 2009-11 biennium expenditures include 5.5 FTE's and associated costs in the Office of Attorney General to process criminal background checks, and the cost of FBI finger-print based background checks. Also included are two .5 FTE's and 4 temporary staff for the Department of Human Services (DHS) which will handle the child abuse and neglect checks and review applications prior to sending them to the Office of Attorney General (OAG) for background checks.

The adopted amendments to the bill do not change the fiscal note impact.

The difference between the fiscal notes for Senate Bill Nos. 2123 and 2162 is as follows:

Senate Bill No. 2162 includes Executive Recommendation funding for both the OAG and DHS. This bill includes \$310,500 in the OAG's budget to pay the 18,000 FBI background checks anticipated with this bill, the same staffing levels as shown above and adequate funding to perform the background check duties.

Senate Bill (SB) No. 2123 includes 600 more background checks (for DHS employees), than does Senate Bill No. 2162, which increases general fund expenditures by \$10,350 for FBI background check fees (a total of 18,600 background checks). SB No. 2123 allows the OAG to charge for background checks (current practice and preferred method), which is reflected as special fund revenues, expenditures, and appropriations. Since the Executive Recommendation includes funding for the OAG staff and operating expenses (including \$310,500 for FBI fees), and the OAG will bill DHS for the FBI background check fees, DHS needs \$320,850 more from the general fund in its budget to pay the FBI fees. Of this amount, the Executive Recommendation included \$310,500 in the OAG budget, which will need to be transferred to DHS, and DHS would need an additional \$10,350 for the additional estimated 600 background checks for its employees (these additional background checks are excluded in SB 2162). SB 2123 includes the same staffing levels as shown above.

Based on conversations with Department of Human Services staff, the Department does not anticipate requesting additional background checks other than for Department staff and childcare providers. The additional entities are included in the bill so if DHS determined it necessary, due to federal mandate, unforeseen events, etc., an avenue exists to request FBI checks on a certain group of providers. The majority of the providers already have background checks from the Office of Attorney General. No additional funds are built into expenditures or appropriations for these background checks.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The amendments do not change the fiscal impact.

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