

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 830** HLS 16RS 683

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action: **w/ SEN COMM AMD**

Proposed Amd.:

Sub. Bill For.:

Date: May 17, 2016	3:18 PM	Author: SEABAUGH
Dept./Agy.: Education		Analyst: Jodi Mauroner
Subject: Child Care Employees		

CHILDREN/CARE

RE1 INCREASE FF EX See Note

Page 1 of 2

Provides relative to criminal background checks for owners, employees, volunteers, and inspectors of early learning centers

Present law prohibits any person who has been convicted of or has pled nolo contendere to certain crimes including sex crimes and crimes against children from directly or indirectly owning, operating, or participating in the governance of an early learning center, or being hired by an early learning center as a volunteer or employee of any kind, or being hired by the Dept. of Education (DOE) in a position whose duties include the performance of licensing inspections in early learning centers. BESE is required to establish procedures under which the owner or operator of an early learning center may request information concerning whether or not any owner or volunteer, applicant, or employee of any kind, including contractors, of an early learning center has been arrested for or convicted of or pled nolo contendere to any criminal offense. Proposed law changes requirement by requiring DOE, rather than the owner or operator of an early learning center, to request criminal history information of certain personnel; otherwise retains present law. Authorizes DOE to collect processing fees charged by the Bureau of Criminal Investigation when it receives a request for eligibility determination.

EXPENDITURES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$654,201	\$182,723	\$182,723	\$182,723	\$182,723	\$1,385,093
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$203,715	\$196,215	\$196,215	\$196,215	\$196,215	\$988,575
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$857,916	\$378,938	\$378,938	\$378,938	\$378,938	\$2,373,668

REVENUES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$32,108	\$8,968	\$8,968	\$8,968	\$8,968	\$67,980
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$32,108	\$8,968	\$8,968	\$8,968	\$8,968	\$67,980

EXPENDITURE EXPLANATION

There will be an increase in expenditures of federal Child Care and Development Funds (CCDF) by the DOE for licensing activities related to the required background checks for persons associated with early learning centers. The increase may result in a decrease in the availability of these funds for other activities.

Federal guidelines included in the 2015 reauthorization of the Child Care and Development Block Grant (CCDF) require FBI criminal background checks on all persons associated with early learning centers. (Previously only statewide background checks were required.) The state must have procedures in place that meet these requirements no later than September 30, 2017; a one year extension may be granted. For any year that a state fails to substantially comply, 5% of the CCDF funds will be withheld which could result in a loss of \$4.4 M for LDOE.

Based on license capacity, capacity in homes and the average child ratio, anticipated turnover and associated contractors, DOE projects approximately 16,054 checks will be requested in year one (FY 17) and year five (FY 22). In FY 18 through FY 21 the number will be limited to new employees only and an estimated 4,484 checks will be required (assumes no growth in the number of centers). Background checks are required to be renewed every five years. **Continued on Page Two**

REVENUE EXPLANATION

There will be an increase in revenues to the Criminal Identification and Information Fund as a result of the La. Bureau of Criminal Identification and Information (LBCII) providing FBI criminal background checks for employees of early learning centers.

LBCII charges a processing fee of \$26 for criminal background checks provided to any agency or entity statutorily eligible to receive this information to assist the agency in performing a screening function as part of any regulatory or licensing scheme. There will be no change in collection of these fees. Additionally, the Bureau charges \$14.75 for FBI criminal history checks, \$12.75 of which is remitted to the FBI. Based on the projected number of applicants, 16,054 FBI checks will be required in FY 17 which would generate \$32,108 in statutory dedications in FY 17 (\$2 x 16,054). Since background checks must be conducted only once every five years, estimated revenues generated from these reports will be \$8,968 in FY 18 through FY 21 as checks will be conducted for new employees only (\$2 x 4,484).

Senate Dual Referral Rules House

- | | |
|--|--|
| <input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

Evan Brasseaux

Evan Brasseaux
Staff Director

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 830** HLS 16RS 683

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action: **w/ SEN COMM AMD**

Proposed Amd.:

Sub. Bill For.:

Date: May 17, 2016	3:18 PM	Author: SEABAUGH
Dept./Agy.: Education		Analyst: Jodi Mauroner
Subject: Child Care Employees		

CONTINUED EXPLANATION from page one:

Page 2 of 2

Expenditure Explanation Continued From Page One

Currently owner/operators request and pay the \$26 fee for state background checks; however, federal background checks must be requested and released to a state agency. Under the proposed legislation, owner/operators will submit both applications and payments to DOE which will request and receive both the statewide and the federal reports from the La. Bureau of Criminal of Identification and Information. Estimated cost of the background checks is \$654,201 in FY 17 (16,054 * \$14.75 + \$26) and \$182,723 for FY 18 through FY 21 (4,484 * \$14.75 + \$26).

Additionally, DOE anticipates the need for additional staffing as a result of the increased workload. If additional licensing positions are not authorized, the department will contract out services. DOE projects the need for three positions at an annual cost of \$196,215 (\$57,000 salary and related benefits, \$8,405 operating expenses) with additional acquisition costs of \$7,500 in FY 17 only (funded entirely with CCDF). There is no anticipated impact to the La Bureau of Criminal Identification and Information as these checks are automated.

Senate Dual Referral Rules House

- 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
- 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}
- 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
- 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director