

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 139** HLS 19RS 542
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.: **w/ PROP HSE COMM AMD**
 Sub. Bill For.:

Date: May 1, 2019 6:53 AM	Author: DWIGHT
Dept./Agy.: Statewide	Analyst: Monique Appeaning
Subject: Background Check Processing Fee Reduced from \$15 to \$5	

CRIMINAL/RECORDS OR SEE FISC NOTE SG RV Page 1 of 1
 Provides relative to fees for processing background check requests

Proposed law reduces the maximum professing fee from \$15 to \$5 for any local law enforcement agency, any Louisiana public higher education institution which employes full-time police officers commissioned by the Louisiana State Police, or sheriff to conduct any screening function conducted by the bureau, except those screening functions conducted for entities regulated by any office of the Department of Public Safety and Corrections.

Proposed law requires a technology fee of \$5 to be assessed for each civil background check conducted, to be distributed to the Louisiana Sheriff's Association for enhancements of criminal history data collection.

Proposed amendment provides for an effective date upon completion or substantial completion of a statewide civil scan applicant processing solution or March 31, 2020, whichever is earlier.

EXPENDITURES	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Annual Total						

REVENUES	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW					
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Annual Total						

EXPENDITURE EXPLANATION

Proposed law will result in a net expenditure increase statewide for technology centered around certain background screening functions by sheriff's and law enforcement entities statewide. **Proposed law** provides that deposits from a technology fee be transferred to the La Sheriff's Association to be used for technology-based enhancements of criminal history data collections. The expenditure impact is reflected as Local Funds, but the amount is indeterminable and will depend on the number of civil background checks conducted statewide in a given fiscal year.

REVENUE EXPLANATION

Proposed law will result in a net increase in statewide revenues as a result of changes to certain processing fees. **Proposed law** may result in an indeterminable decrease in SGR and Local Funds revenue as a result of certain background check processing fees changing from a maximum of \$15 to \$5. The Bureau of Criminal Identification and Information reported that it received 34,811 fingerprint backgrounds checks in 2018. Assuming 95% of these checks were from entities included in proposed law, the estimated revenue decrease is \$330,705 (34,811 x 95% x \$10). Note: These checks are processed through the Bureau. *The number of these checks completed by state entities, if any, is unknown.*

Proposed law impacts any local law enforcement agency, any Louisiana public higher education institution which employs full-time police officers commissioned by the Louisiana State Police, or sheriff conducting any screening function conducted by the bureau, except those screening functions conducted for entities regulated by the Department of Public Safety & Corrections. Higher education entities conducting background checks primarily utilize third party vendors for background checks.

Proposed law imposes a \$5 technology fee on civil background checks. There is an indeterminable increase in revenues to be transferred to the LSA to be used for unspecified enhancements of criminal history data collection. Proposed law does not address how these funds will get to the Sheriff's Association. The number of fingerprint based background checks that will be assessed the new technology fee of \$5 is estimated at 300,000 by the Bureau of Criminal Identification and Information. This equates to a projected revenue increase of \$1.5 M. However, LSA reports that they believe the number of civil background checks is higher than that reported by the Bureau, so the projected revenue to the LSA may be greater than \$1.5 M by an indeterminable amount. The LFO will update this fiscal note if and as additional information becomes available.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 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

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