

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3283-01
Bill No.: HB 1314
Subject: Crimes and Punishment; Children and Minors; Elementary and Secondary Education; Teachers
Type: Original
Date: January 22, 2008

Bill Summary: The proposal requires annual background on some school employees who do not hold a current valid certificate, adds to the list of offenses for which a teacher's certification may be revoked, and removes the statute of limitation on certain sex crimes.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	(\$295,799 to \$307,799)	(\$178,425)	(\$183,687)
Total Estimated Net Effect on General Revenue Fund	(\$295,799 to \$307,799)	(\$178,425)	(\$183,687)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Criminal Records	\$1,080,000	\$1,080,000	\$1,080,000
Total Estimated Net Effect on <u>Other</u> State Funds	\$1,080,000	\$1,080,000	\$1,080,000

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 15 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Federal	(\$10,381)	(\$10,174)	(\$10,479)
Total Estimated Net Effect on <u>All</u> Federal Funds	(\$10,381)	(\$10,174)	(\$10,479)

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	2.98	2.98	2.98
Federal	0.27	0.27	0.27
Total Estimated Net Effect on FTE	3.25	3.25	3.25

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Local Government	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration – Administrative Hearing Commission, Department of Labor and Industrial Relations, Department of Public Safety – Director’s Office, Office of the State Public Defender, Boone County Sheriff’s Department,** and the **Springfield Police Department** assume the proposal would have no fiscal impact on their agencies.

Officials from the **Office of State Courts Administrator** assume the proposed legislation would have no fiscal impact on the courts.

Officials from the **Office of the Attorney General (AGO)** assume the provisions in this proposal may result in additional costs to AGO. Section 162.068.2 requires that, if a school employee provides certain information regarding personnel information of a fellow employee (presumably to a potential employer), the AGO would represent the employee providing the information in the event that employee is sued for providing it. Because AGO cannot project the number of cases that could be generated from this provision, AGO assumes that costs would be unknown but under \$100,000 per year.

Section 168.071 provides some additional crimes which, if committed by a licensed teacher, would subject the teacher to automatic license revocation. Because the AGO handles these revocation cases before DESE, AGO assumes that this amended section could generate additional cases in the event a licensee commits one of the newly enumerated crimes. AGO assumes that any costs associated with this provision could be absorbed with existing resources.

Finally, Section 556.037 removes the statute of limitations for a criminal prosecutions brought when a person under age 18 is a victim of a sex crime. AGO assumes that, to the extent this change results in more prosecutions and convictions, AGO will have an increase in the number of appeals filed. AGO assumes that any increase in appeals will be modest and can be absorbed with existing resources.

Oversight assumes the AGO could absorb any increased costs generated as a result of the provisions in Section 162.068.2. Oversight assumes any significant increase in the workload of the AGO would be reflected in future budget requests.

ASSUMPTION (continued)

Officials from the **Department of Elementary and Secondary Education (DESE)** assume the provisions in Section 168.133 will result in increased costs. In order to accomplish the requirements of this proposal, DESE will require 1.0 FTE administrative assistant (at \$30,624 per year) to process the additional 250,000 registry checks (120,000 employees actively teaching plus 125,000 non-certified employees). These registry checks would be additional to what is currently obtained with a background clearance. The cost for an open record check is \$9; however, the Highway Patrol is currently doing this at their expense. Given the additional checks required by this proposal, it is unknown whether the Highway Patrol will continue to offer this service. If DESE is required to pay for this service, the expense would likely exceed \$2,250,000 per year. A growth rate of 3% is anticipated on an annual basis.

DESE states OA-ITSD estimates additional costs between \$42,500 and \$54,500 for the initial year to develop a new data collection process and make changes to the existing data collection process. Processes to send and receive data to various other agencies will be required. New data storage will be required as well as identification of data needing improvement and time spent to assist in this improvement. Ongoing costs of \$2,680 are estimated for maintenance and support.

DESE assumes local school districts will likely incur significant costs for the initial entry of data.

DESE also assumes the provisions in section 162.068 of the proposal will result in minimal administrative costs to local school districts.

Oversight assumes the proposal requires a check of the sexual offender registry and the child abuse central registry, in addition to the already required criminal background check, on persons employed after January 1, 2005, who will have contact with pupils. Oversight assumes the proposal would permit an annual check of employed persons holding current active certificates, and would require an annual check of persons who do not hold current valid certificates. Oversight assumes this would result in approximately 125,000 background checks per year. Oversight assumes DESE would require 0.5 FTE Administrative Assistants to process the 125,000 background checks per year.

Oversight has, for fiscal note purposes only, changed the starting salary for the Administrative Assistant position to correspond to the second step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research.

ASSUMPTION (continued)

Oversight assumes, pursuant to the legislation, the applicant shall pay the fee for the state and federal criminal history record checks. Therefore, Oversight has not included the cost for the criminal history record checks in the fiscal note.

Oversight assumes the statewide cost to local school districts for the initial entry of data would be less than \$100,000 per fiscal year.

Officials from the **Department of Health and Senior Services (DHSS)** assume they will be required to collaborate with DESE and MSHP to develop a process to allow DESE to annually review the background screening mandated in section 168.133, RSMo. The Family Care Safety Registry will be required to develop a process to expedite the registration of public schools staff and the subsequent background screening process.

The Department of Elementary and Secondary Education estimates that there are approximately 120,000 certified and 125,000 non-certified public school staff (245,000 total) to be screened as a result of this legislation. Based on information from DESE, DHSS assumes that this number may increase by three percent annually.

DHSS plans to modify the existing computer software to utilize batch processing in conjunction with the existing web application for both registration and background screening to expedite processing and minimize the need for additional staff. DHSS estimates that approximately 10 percent or 25,000 of the screenings will result in a finding that must be interpreted by DHSS staff to ensure accurate reporting. DHSS estimates that one Health Program Representative is capable of reviewing 12,000 screenings annually to make the final determination and 0.50 Office Support Assistant Keyboarding will be responsible for the final review and mailing of the result letters. Therefore, two Health Program Representative II FTE (each at \$32,448 per year) and one Office Support Assistant (OSA) Keyboarding FTE (at \$21,348 per year) is required for the Family Care Safety Registry to complete the processing. Standard expense and equipment costs are included for these three FTE.

In addition, each individual screened receives a notification of the background screening results. DHSS estimates the mailing of each notification will cost \$0.36 and therefore a request is included for the postage costs associated with the mailing of 245,000 result letters annually. DHSS assumes the inflationary factor applied to Fiscal Year 2010 and Fiscal Year 2011 postage will be sufficient to cover any increase in the number of result letters related to growth in school staff.

ASSUMPTION (continued)

DHSS cost estimates include the following Office of Administration, Information Technology Services Division (ITSD) Costs:

Support from ITSD will be needed to modify the existing database used by the DHSS, Family Care Safety Registry (FCSR). The proposed language states that the Highway Patrol, the Department of Health and Senior Services, the Department of Social Services, and the Department of Elementary and Secondary Education shall develop procedures that permit an annual check of employed persons holding current active certificates under section 168.021 against criminal history records in the central repository under section 43.530, RSMo, the sexual offender registry, and child abuse central registry under sections 210.900 to 210.936, RSMo. The Department of Elementary and Secondary Education shall facilitate the development of procedures for school districts to submit personnel information annually for persons employed by the school districts who do not hold a current valid certificate who are required by section 168.133.1 to undergo a criminal background check, sexual offender registry check, and child abuse central registry check.

The modification DHSS and ITSD will need to make includes an interface with a web-based system currently in use by the Missouri Highway Patrol to schedule fingerprint appointments. DHSS assumes the application used by the MSHP collects all information currently needed to verify registration or register with the Family Care Safety Registry. Additionally, the Family Care Safety Registry would like to verify registration of approximately 245,000 teaching and non-teaching staff through a batch process. ITSD resources would be required to initially setup the batch process and on-going funds will be needed to complete the task annually.

ASSUMPTION (continued)

The following ITSD costs will apply:

COST CATEGORY	FIRST YEAR	ONGOING
Consultant Cost for Analysis, Design Development, Testing and Implementation of modification needed to Collect and Store Data	\$71,760	\$3,000
0.25 FTE - Computer Information Technology Specialist II (at \$53,928 per year) – to provide project management, development support and administration/maintenance of application	\$13,886*	
TOTALS	\$85,646	\$3,000*

*The salary is only for the first year. The excel worksheet computations also include fringe benefits for the .25 FTE, however equipment and expense was not included since this is only a partial FTE for the first year.

DHSS estimates the total cost of the proposal to be approximately \$300,000 in FY 09 and approximately \$260,000 in subsequent years.

Oversight assumes the proposal requires a check of the sexual offender registry and the child abuse central registry, in addition to the already required criminal background check, on persons employed after January 1, 2005, who will have contact with pupils. Oversight assumes the proposal would permit an annual check of employed persons holding current active certificates, and would require an annual check of persons who do not hold current valid certificates. Oversight assumes this would result in approximately 125,000 background checks per year. Oversight assumes DHSS would require 1 FTE Health Program Representative II and .5 FTE Office Support Assistant Keyboarding to process the 125,000 background checks per year. Oversight assumes these FTE would be housed within existing DHSS facilities. Therefore, the cost estimates do not include rent or janitorial/trash/utilities costs.

ASSUMPTION (continued)

Oversight has, for fiscal note purposes only, changed the starting salary for the Health Program Representative II, Office Support Assistant Keyboarding, and Computer Information Technology Specialist II positions to correspond to the second step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research.

Officials from the **Department of Social Services (DOS)** assume the proposed legislation would have some fiscal impact upon the Children's Division. Currently the Children's Division averages approximately 27,000 background screens for first time certified school personnel per year. If the proposed legislation is passed, background screening could be required for all certified and non certified school staff. In 2007 there were approximately 81,000 certified staff and 49,000 staff who were not certified in the Missouri public school system. This would mean the background screens could increase by as much as 103,000 screens which is double what the division has done to date in CY 07. Currently the division has 1 full time FTE and 2 hourly staff that process the screens. If the proposed legislation becomes law, the division would need to double the screening staff; however, this would likely be less than \$100,000.

DOS assumes they would incur the following cost if the staff would be doubled:

Costs for additional FTE would be \$84,221.

\$47,385 for full time Senior Office Support Assistant
(1 x \$23,856PS + 1 x \$12,980EE + \$10,549 fringe)

\$36,836 for part time Senior Office Support Assistants
(2 x \$11,928PS + 2 x \$6,490EE)

DOS assumes the total fiscal impact could be \$84,221. DOS assumes an impact of unknown but less than \$61,144 General Revenue and unknown but less than \$23,077 Federal Funds.

ASSUMPTION (continued)

Oversight assumes the proposal requires a check of the sexual offender registry and the child abuse central registry, in addition to the already required criminal background check, on persons employed after January 1, 2005, who will have contact with pupils. Oversight assumes the proposal would permit an annual check of employed persons holding current active certificates, and would require an annual check of persons who do not hold current valid certificates. Oversight assumes this would result in approximately 49,000 background checks per year. Oversight assumes DOS would require 1 FTE Senior Office Support Assistant. Oversight assumes the FTE would be housed within existing DHSS facilities. Therefore, the cost estimates do not include rent or janitorial/trash/utilities costs.

Oversight has, for fiscal note purposes only, changed the starting salary for the Senior Office Support Assistant position to correspond to the second step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research.

Officials from the **Department of Public Safety – Missouri State Highway Patrol (MSHP)** assume the proposed legislation would substantially increase the number of name-based criminal history record checks performed by the Criminal Records and Identification Division. Using numbers provided by the Department of Secondary and Elementary Education, it is conservatively estimated that the minimum amount of increase in criminal record searches would be 120,000 per year.

MSHP assumes revenues would be generated by the proposed legislation. The current fee for state name-based criminal history record checks is \$9.00. 120,000 record checks x \$9.00 = \$1,080,000.

Officials from the **Office of Prosecution Services (OPS)** state past amendments to section 556.037 have proven to have a significant impact (financial and otherwise) on prosecuting attorneys.

OPS states it is difficult to determine the fiscal impact to county prosecutors by the changes in this legislation. Much of the fiscal impact is already being felt by prosecutors responding to past changes to this statute. The proposed changes to section 557.037 would add to the complexity of determining what laws to use in each case reported.

Oversight assumes the Office of Prosecution Services and county prosecutors could absorb any additional costs incurred as a result of the proposed legislation within existing resources.

ASSUMPTION (continued)

Officials from the Greene County Sheriff's Department, Jackson County Sheriff's Department, St. Louis County Police Department, Columbia Police Department, Kansas City Police Department, St. Louis Metropolitan Police Department, Columbia Public Schools, Kansas City Public School Board, Mexico Public Schools, Nixa Public Schools, Parkway Public Schools, Sedalia School District, and the St. Louis Public Schools did not respond to Oversight's request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
GENERAL REVENUE FUND			
<u>Costs – Department of Elementary and Secondary Education (DESE)</u>			
Personal Service	(\$10,980)	(\$13,571)	(\$13,978)
Fringe Benefits	(\$4,855)	(\$6,001)	(\$6,181)
Equipment and Expense	(\$3,091)	(\$719)	(\$740)
ITSD costs	<u>(\$42,500 to \$54,500)</u>	<u>(\$2,680)</u>	<u>(\$2,760)</u>
<u>Total Costs – DESE</u>	<u>(\$61,426 to \$73,426)</u>	<u>(\$22,971)</u>	<u>(\$23,659)</u>
FTE Change – DESE	0.5 FTE	0.5 FTE	0.5 FTE
<u>Costs – Department of Health and Senior Services (DHSS)</u>			
Personal Service	(\$49,767)	(\$44,715)	(\$46,056)
Fringe Benefits	(\$22,525)	(\$20,238)	(\$20,845)
Equipment and Expense	(\$62,255)	(\$59,996)	(\$61,797)
IT Consultant Services	<u>(\$71,760)</u>	<u>(\$3,000)</u>	<u>(\$3,000)</u>
<u>Total Costs – DESE</u>	<u>(\$206,307)</u>	<u>(\$127,949)</u>	<u>(\$131,698)</u>
FTE Change – DESE	1.75 FTE	1.75 FTE	1.75 FTE
<u>Costs – Department of Social Services</u>			
Personal Service	(\$14,700)	(\$18,169)	(\$18,714)
Fringe Benefits	(\$6,500)	(\$8,034)	(\$8,275)
Equipment and Expense	<u>(\$6,866)</u>	<u>(\$1,302)</u>	<u>(\$1,341)</u>
<u>Total Costs – DOS</u>	<u>(\$28,066)</u>	<u>(\$27,505)</u>	<u>(\$28,330)</u>
FTE Change – DOS	0.73 FTE	0.73 FTE	0.73 FTE
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$295,799 to \$307,799)</u>	<u>(\$178,425)</u>	<u>(\$183,687)</u>
Estimated Net FTE Change for General Revenue Fund	2.98 FTE	2.98 FTE	2.98 FTE

CRIMINAL RECORDS FUND

Revenues – Missouri State Highway Patrol

Name-based record checks	<u>\$1,080,000</u>	<u>\$1,080,000</u>	<u>\$1,080,000</u>
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ESTIMATED NET EFFECT ON CRIMINAL RECORDS FUND	<u>\$1,080,000</u>	<u>\$1,080,000</u>	<u>\$1,080,000</u>
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FEDERAL FUNDS

Costs – Department of Social Services

Personal Service	(\$5,437)	(\$6,720)	(\$6,922)
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Fringe Benefits	(\$2,404)	(\$2,972)	(\$3,061)
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Equipment and Expense	<u>(\$2,540)</u>	<u>(\$482)</u>	<u>(\$496)</u>
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<u>Total Costs – DOS</u>	<u>(\$10,381)</u>	<u>(\$10,174)</u>	<u>(\$10,479)</u>
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FTE Change – DOS	0.27 FTE	0.27 FTE	0.27 FTE
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ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>(\$10,381)</u>	<u>(\$10,174)</u>	<u>(\$10,479)</u>
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Estimated Net FTE Change for Federal Funds	0.27 FTE	0.27 FTE	0.27 FTE
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<u>FISCAL IMPACT - Local Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
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POLITICAL SUBDIVISIONS

Costs – Local School Districts

Data entry costs	<u>(Less than \$100,000)</u>	<u>(Less than \$100,000)</u>	<u>(Less than \$100,000)</u>
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ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS	<u>(Less than \$100,000)</u>	<u>(Less than \$100,000)</u>	<u>(Less than \$100,000)</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Currently, when a school employee is reported as a possible child abuser, the school board receives a report from the juvenile officer and a report from its own investigator on which it bases its findings of unsubstantiated, substantiated, or unresolved, which are then forwarded to the Division of Family Services within the Department of Social Services. The proposal requires the school superintendent to also report a substantiated finding to the Department of Elementary and Secondary Education.

School districts are required to adopt written policies on information that may be provided about former employees. Current district employees who report on or discuss job performance when making employment decisions that affect student safety are exempt from civil liability if they act in good faith and in accordance with district policy.

Sexual misconduct in the second and third degree and sexual contact with a student on school property are added to the list of offenses for which a teacher's license may be denied or revoked. The proposal clarifies that a criminal background check includes a check of the sexual offender registry and the child abuse central registry. The departments involved in the checking process are required to develop procedures to allow an annual record check of holders of active teacher certificates, and the Department of Elementary and Secondary Education is required to facilitate development of procedures for school districts to undergo annual rechecks of their noncertificated employees who are required under Section 168.133, RSMo, to undergo a background check before hiring.

Third-party reporters of child abuse who report an alleged incident to school administrators are immune from liability under certain circumstances. The current 20-year statute of limitation for the prosecution of unlawful sexual offenses involving a person 18 years of age or younger is repealed.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Attorney General
Office of Administration
 – Administrative Hearing Commission
Office of State Courts Administrator
Department of Elementary and Secondary Education
Department of Health and Senior Services
Department of Labor and Industrial Relations
Department of Social Services
Department of Public Safety
 – Director’s Office
 – Missouri State Highway Patrol
Office of Prosecution Services
Office of the State Public Defender
Boone County Sheriff’s Department
Springfield Police Department

NOT RESPONDING

Greene County Sheriff’s Department
Jackson County Sheriff’s Department
St. Louis County Police Department
Columbia Police Department
Kansas City Police Department
St. Louis Metropolitan Police Department
Columbia Public Schools
Kansas City Public School Board
Mexico Public Schools
Nixa Public Schools
Parkway Public Schools
Sedalia School District
St. Louis Public Schools



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