

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	509,553		205,853	
CASH FUNDS	576,938	576,938	576,938	576,938
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	1,086,491	576,938	782,791	576,938

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill requires a national criminal records checks for all child care providers and prospective child care staff member or provider. Child care providers and employees are responsible for cost of the check.

Approximately 12,750 child care providers would need the criminal background checks. The State Patrol conducts the checks. The cost per check is \$45.25. The State Patrol would have increased revenue of approximately \$578,938 annually. Due to the anticipated volume, the Patrol will need to hire 14 additional staff, purchase additional scanners and equipment and rent additional space, costs are expected to exceed revenue by \$509,553 in FY 2020 and \$205,853 in FY 2021. The General Fund would pay the costs that exceeds revenue.

This bill is required to meet compliance for receipt of federal Child Care Development Block Grant funds. Some additional costs for the State Patrol not reflected in this fiscal note will be covered from an additional allotment from the federal block grant. Failure to comply could result in the loss of all or a portion of the block grant funding. Nebraska receives over \$30 million annually.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 459 AM:	AGENCY/POLT. SUB: Department of Health and Human Services (DHHS)		
REVIEWED BY: Elton Larson	DATE: 2/6/2019	PHONE: (402) 471-4173	
COMMENTS: No basis to disagree with DHHS estimate of no fiscal impact to the agency.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 459 AM:	AGENCY/POLT. SUB: University of Nebraska (NU)		
REVIEWED BY: Elton Larson	DATE: 2/1/2019	PHONE: (402) 471-4173	
COMMENTS: No basis to disagree with estimate of fiscal impact to NU.			

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Mike Michalski

Date Prepared 1-23-19

Phone: (5) 471-6719

	<u>FY 2019-2020</u>		<u>FY 2020-2021</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				
	\$0	\$0	\$0	\$0

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB459 will allow the Department of Health and Human Services (DHHS) to require national criminal history record checks for all child care licensees, household members, staff, employees, and prospective staff, other than a family child care home I and non-licensed providers. Fees for the background check will be paid by the applicants not by the department.

There is no fiscal impact to the Department of Health and Human Services.

DHHS will be required to complete a minor rule and regulation change as a result of LB 459. DHHS will absorb the estimated costs listed below to complete this regulation change.

Title	Hour(s)	Hourly Cost	Absorbed Cost
Director	1	72.115	\$ 72
Deputy Director	1	51.923	\$ 52
Administrator I	1	29.354	\$ 29
Program Specialist	2	21.466	\$ 43
Program Analyst	4	20.869	\$ 83
Attorney 3	10	32.213	\$ 322
Total Costs	19		\$ 602

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2019-2020 EXPENDITURES	2020-2021 EXPENDITURES
		19-20	20-21		
Benefits.....					
Operating.....					
Travel.....					
Capital Outlay.....					
Aid.....					
Capital Improvements.....					
TOTAL.....				\$0	\$0

Please complete ALL (5) blanks in the first three lines.

2019

LB⁽¹⁾ 459

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ University of Nebraska

Prepared by: ⁽³⁾ Michael Justus Date Prepared: ⁽⁴⁾ _____ Phone: ⁽⁵⁾ 402-472-7109

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	<u>16,000</u>	_____	<u>8,000</u>	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>16,000</u>	_____	<u>8,000</u>	_____

Explanation of Estimate:

The bill requires further background checks and adds finger printing. The bill allows for costs to be charged to the employees, but given the wage level of these employees it is likely the employer will need to cover the cost or risk not being able to attract workers.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20 EXPENDITURES</u>	<u>2020-21 EXPENDITURES</u>
	<u>19-20</u>	<u>20-21</u>		
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	<u>16,000</u>	<u>8,000</u>
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	<u>16,000</u>	<u>8,000</u>

Please complete ALL (5) blanks in the first three lines.

2019

LB⁽¹⁾ 459

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska State Patrol

Prepared by: ⁽³⁾

Carol Aversman

Date Prepared: ⁽⁴⁾

1-25-2019

Phone: ⁽⁵⁾

402-471-4545

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$509,553		\$205,853	
CASH FUNDS	\$576,938	\$576,938	\$576,938	\$576,938
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>\$1,086,491</u>	<u>\$576,938</u>	<u>\$782,791</u>	<u>\$576,938</u>

Explanation of Estimate:

LB 459 requires a person applying for a license as a child care provider or a licensed child care provider under the Child Care Licensing Act to submit a request for a national criminal history record information check for each child care staff member, including a prospective child care staff member of the child care provider. The bill does not include facilities classified as "family child care home(s) I". On or after September 1, 2019, all prospective child care staff members shall submit to a national criminal history record information check prior to employment. All child care staff employed prior to September 1, 2019, must submit to a national criminal history record information check by September 1, 2021. The bill requires that the State Patrol undertake a search for finger-print based criminal history record information. This includes transmittal of the fingerprints to the FBI for a national finger-print based criminal history record information check. The bill also requires that the Agency issue a report that includes the finger-print based criminal history record information concerning the child care staff members. Child care staff members shall also submit to background checks conducted through a search of a number of other registries or repositories, including the National Crime Information Center's National Sex Offender Registry. It is estimated that the number of record checks that will be required will be 12,750 per each year of the biennium. The Agency estimates that it will need to hire approximately 14 additional employees to be able to process this increase in volume. It also estimates that it will need to purchase one additional AFIS ten-print work station, as well as basic IT and office equipment/furniture for these employees. These capital outlay costs are estimated at approximately \$93,700 in the first year only. Additionally, as the fingerprints are required to be transmitted to the FBI, a charge of \$13.25 per transmission will also be incurred. These fees total \$168,938 in each year of the biennium. Note that the current workspaces would not be adequate to house the personnel and equipment that would be needed as a result of the added personnel, and therefore estimated costs for expansion of office space have been included, as well as some moving expenses. These costs are estimated at a total of \$210,000 in the first year only (\$200,000 for renovations and \$10,000 for moving costs). Currently, the State Patrol charges a fee of \$45.25 for each finger-print based criminal history record information check. The revenues reflected in this fiscal note were computed based upon this fee.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20 EXPENDITURES</u>	<u>2020-21 EXPENDITURES</u>
	<u>19-20</u>	<u>20-21</u>		
State Patrol Criminal Identification Records Technician	6	6	\$158,558	\$158,558
State Patrol Records Analysis Supervisor	1	1	\$45,816	\$45,816
Staff Assistant I	5	5	\$152,672	\$152,672
IT Infrastructure Support Analyst	1	1	\$46,263	\$46,263
IT Business Systems Analyst/Coordinator	1	1	\$51,397	\$51,397

Benefits	\$159,147	\$159,147
Operating	\$178,938	\$168,938
Travel		
Capital outlay	\$93,700	
Aid		
Capital improvements	\$200,000	
TOTAL	\$1,086,491	\$782,791