

# FISCAL NOTE

## HB 3839 - SB 3985

February 13, 2008

**SUMMARY OF BILL:** Requires drug testing of armed and unarmed security guards and background checks and drug testing for employees of proprietary security organizations (PSO).

### ESTIMATED FISCAL IMPACT:

<b>Increase State Revenue -</b>	<b>\$8,500/One-Time</b>
	<b>\$1,206,300/Recurring</b>
<b>Increase State Expenditures -</b>	<b>\$8,500/One-Time</b>
	<b>\$1,206,300/Recurring</b>

#### Assumptions:

- Pursuant to Tenn. Code Ann. §§ 4-3-1011 and 4-29-121 all boards and commissions in the Division of Regulatory Boards are required to be self-supporting over a two-year period. Revenue from fees will be collected in an amount to cover expenditures.
- Employees of PSOs are not currently required to submit to a background check or be drug tested. Approximately 17,000 employees of PSOs will have to submit to a background check and be randomly drug tested by their employer. Such records will be forwarded to the Department of Commerce and Insurance. The cost of the background check and random drug testing will be borne by the employee or the PSO.
- Approximately 20,000 armed and unarmed security guard applicants and renewals will be drug tested on an annual basis. The Department will contract with a drug testing company to provide the tests. The cost of the drug test will be added to the license fee (20,000 x \$55 = \$1,100,000).
- The Department will need one Administrative Assistant (\$30,400 salary + \$10,400 benefits = \$40,800) and one Licensing Technician (\$27,900 salary + \$9,600 benefits = \$37,500) to implement the provisions of this bill.
- Recurring expenditures for the salary and benefits for two positions (\$78,300), drug testing (\$1,100,000), and phone, computer network costs, supplies, legal services and other administrative and operational expenses (\$28,000) for a total of \$1,206,300.

**HB 3839 - SB 3985**

- One-Time expenditures for computers (\$2,500), computer programming (\$5,000) and the design and printing of new application and renewal forms (\$1,000) for a total of \$8,500.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is written in a cursive style with a large initial "J" and "W".

James W. White, Executive Director

/dpb