

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2442 – SB 2440

February 17, 2016

**SUMMARY OF ORIGINAL BILL:** Requires a state employer to remove any conviction related questions from its initial application form for non-covered positions and authorizes the employer to inquire about an applicant’s criminal history after the initial screening of applications. Establishes factors to be considered by the employer when considering an applicant with a criminal history for a non-covered position.

Requires a job announcement for a covered position to include a notice of the background check requirement. Defines a “covered position” as a position for employment for which a criminal background check is required under federal law or for which a commission of an offense is a disqualifying event for employment under federal or state law.

Establishes that employers are not required to replace existing application forms in circulation for the purpose of complying with the requirements of this bill, until all existing application forms are exhausted.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENTS (012371, 012327):** Amendment 012371 deletes and rewrites the definition of “employer” as it applies to the provisions of the legislation to exclude the Department of Education and the State Board of Education.

Amendment 012327 establishes that an employer shall not be liable for any damages arising from the employer’s failure or refusal to hire an applicant for any covered position or other position based on criminal history of the applicant.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:**

**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

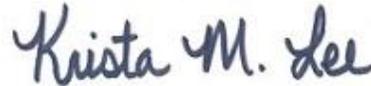
- Adding a notice of the background check requirement to online postings for covered positions will not result in a significant increase in state expenditures.

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- Employers will not replace existing application forms in circulation for non-covered positions for the purpose of ensuring that the application forms comply with the requirements of the proposed legislation as amended.
- Removing conviction related questions from subsequent initial application forms for non-covered positions and changing state employers' operational procedures regarding such positions will not result in a significant increase in state expenditures. Based on the information provided by the Department of Human Resources, it is estimated that any fiscal impact associated with the proposed legislation as amended will be not significant and will be accommodated within existing resources of the Department, without an increase in appropriations or a reduction in reversions.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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