

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 933 – SB 789

February 17, 2019

SUMMARY OF BILL: Authorizes the Department of Human Services (DHS) to obtain state and national criminal history background checks and investigations of employees and contractors of the DHS Division of Rehabilitation Services (DRS) who are likely to have access to individuals with disabilities.

Authorizes the DHS to require a person or entity contracting with the DRS to pay the costs associated with the background investigations of all employees of the contractor.

ESTIMATED FISCAL IMPACT:

**Increase State Revenue – \$7,300/FY19-20/TBI
\$1,300/FY20-21 and Subsequent Years/TBI**

**Increase State Expenditures – \$7,300/FY19-20/TBI
\$19,400/FY19-20/Department of Human Services
\$1,300/FY20-21 and Subsequent Years/TBI
\$3,400/FY20-21 and Subsequent Years/
Department of Human Services**

Assumptions:

- Based on information provided by the DHS, there are currently 553 employees within the DRS program that would require a state and national criminal background check.
- A national criminal background check cost of \$35.15, to be paid by DHS.
- The disbursement of this fee is as follows:
 - Tennessee Bureau of Investigation (TBI): \$13.25;
 - Federal Bureau of Investigation (FBI): \$13.25; and
 - Applicable vendor: \$8.65.
- A one-time increase in state revenue to the TBI of \$7,327 (553 x \$13.25) in FY19-20.
- It is assumed that the cost for the TBI to perform such background checks offsets equally with the revenue collected to perform them.
- A one-time increase in state expenditures to the TBI of \$7,327 in FY19-20.
- A one-time increase in state expenditures to the DHS of \$19,438 (553 x \$35.15) in FY19-20.

- The DRS program estimates an increase of eight new employees a month. The number is assumed to remain constant.
- The recurring increase in state expenditures to DHS associated with the cost of new employee background checks is estimated to be \$3,374 (8 x \$35.15 x 12 months) in FY20-21 and subsequent years.
- The recurring increase in state revenue and expenditures to the TBI is estimated to be \$1,272 (8 x \$13.25 x 12 months) in FY20-21 and subsequent years.

CERTIFICATION:

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

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

Krista Lee Carsner, Executive Director

/vlh