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FISCAL IMPACT STATEMENT

LS 6182

BILL NUMBER: HB 1320

NOTE PREPARED: Dec 30, 2008

BILL AMENDED:

SUBJECT: Criminal Background Checks for Teachers.

FIRST AUTHOR: Rep. Duncan

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires a national criminal history background check for an applicant for: (1) certificated employment with a school corporation or charter school; or (2) a teacher license. The bill also requires each school corporation and each charter school to adopt a policy concerning criminal history background checks.

Effective Date: July 1, 2009.

Summary of Net State Impact: The provisions of this bill can be expected to increase revenue to the General Fund and the Indiana Office of Technology (IOT) Portal Fund by the following amounts:

Affected School Type	General Fund	IOT Portal Fund
Charter Schools	\$2,200	\$2,200
Noncharter Schools	\$21,000	\$21,100
Total	\$23,200	\$23,300

The total increase in revenue is estimated to be \$46,500 per year.

Under the bill, revenue to the General Fund will increase from requests for national criminal history background check fees from noncharter and charter school teachers. The number of limited criminal history background information requests will decrease only to the extent that teachers were previously required to submit limited criminal history information as a condition of employment. The decrease in limited criminal

history requests is indeterminable.

[Note on Teaching License Applications: Currently, all applicants for teaching licensure are required to submit a limited criminal history background check. Those applying for new teaching licenses or teaching license renewals will still be required to pay fees for limited criminal history background information.]

Charter School Provisions: This bill requires that as a condition of employment with a charter school, all applicants obtain and submit a national criminal history background check in addition to the limited criminal history check required to obtain licensure. This provision will increase revenue deposited into the General Fund from criminal history background check fees to the extent charter schools do not already require applicants for employment to submit a national criminal history background check.

Additionally, the bill allows charter schools to determine criminal history background check policies for all nonteacher employment. As this is a new provision, the state may experience increases in limited criminal history check requests and revenue from fees to the extent that charter schools adopt policies requiring nonteacher employees to provide criminal history information.

Noncharter School Provisions: School corporations are currently given the discretion to request limited criminal background information for all applicants for employment. The number of schools that currently require teachers and nonteacher employees to submit limited criminal history information is unknown. Under the bill, all noncharter schools must require teachers to provide national criminal background information as a condition of employment. All noncharter schools would still be allowed discretion to request criminal background information for nonteacher employee applicants.

The bill still allows noncharter schools to determine criminal history background check policies for all nonteacher employment. As a result, no change is expected in revenue received from criminal history information requests submitted by nonteacher applicants for employment.

Explanation of State Expenditures: *Indiana State Police (ISP):* ISP would experience an increase in workload to process the estimated 3,200 requests for national criminal history background information and the estimated 110 requests for limited criminal history background information.

Table A: ISP Workload Change.			
School	Current	As Proposed	Change in Workload
Non Charter	Noncharter: Can request <u>limited</u> checks for teacher and nonteacher applicants.	Requires a <u>national</u> criminal history check for all teacher applicants.	Approximately 3,000 <u>national</u> requests.
Charter	No current legal requirement for background checks for teacher or nonteacher applicants. Some charter schools may have policies regarding criminal background information for teacher and nonteacher applicants.	Requires a <u>national</u> criminal history check for all teacher applicants and a <u>limited</u> for all nonteaching applicants.	Approximately 200 <u>national</u> requests, approximately 110 <u>limited</u> requests

Background Information:

A limited criminal history background check means information with respect to any arrest or criminal charge, which must include: (1) a disposition; and (2) a photograph of the person who is the subject of the limited criminal history, if a photograph is available. The term includes information about any arrest or criminal charge that occurred less than one year before the date of a request even if no disposition has been entered. A limited criminal history background check is obtained through the Indiana State Police.

A national criminal history background check means the criminal history record system maintained by the Federal Bureau of Investigation based on fingerprint identification or any other method of positive identification. A national criminal history background check is also obtained through the ISP.

Additionally, it should be noted that the ISP reports that an applicant fingerprint vendor has been selected recently, but information regarding this contract is not currently available. The fiscal impact of this legislation was determined given the current options for fingerprint-based criminal background checks in the state. It is indeterminable what effect, if any, the contract will have on individuals that request criminal history information.

Explanation of State Revenues: This bill requires charter schools to modify their criminal history policies to require all individuals applying for certificated employment to complete a national criminal history background check and allows charter schools to adopt policies regarding criminal background check information for nonteacher employees. Current law is silent on the requirement that charter schools require any form of criminal background check as a condition of employment for teachers and nonteacher employees; discretion is left to the individual charter school to decide conditions of employment. The bill will require all charter schools to adopt some policy requiring a national criminal background check as a condition of employment.

Additionally, the bill requires all teachers applying for employment with either a charter or noncharter school to submit a national criminal history background check. Revenue to the General Fund and the IOT Portal Fund can be expected to increase as a result.

DOE reports there were approximately 62,000 teachers employed in both charter and noncharter schools for the 2007-2008 school year. Additionally, there were approximately 10,000 nonteachers employed in both charter and noncharter schools during the same academic year, of which 110 were from charter schools. If all these individuals were required to submit limited criminal history requests as conditions of employment, total estimated revenue to the General Fund would be \$770 and total estimated revenue to the Indiana Office of Technology (IOT) Portal Fund would be \$772.

The DOE also reports that charter schools hired approximately 200 teachers for the 2007-2008 academic year and that noncharter schools hired approximately 3,000 teachers for the same academic year. Assuming that charter and noncharter schools will only make applicants obtain and submit national criminal history background check information if they intend to extend an offer of employment, this bill will affect an estimated 3,200 individuals. If these individuals are required to obtain a national criminal history check rather than a limited criminal history check, this bill would increase net revenue to the state General Fund by approximately \$22,400 annually and increase revenue to the IOT Portal Fund by approximately \$22,500 annually.

National criminal history background checks cost a total of \$32.25, \$17.25 of which is given to the federal

government, and the remaining \$15 is deposited into the state General Fund.

	Current	As Proposed
Type of Check and Requirement	Depending on school corporation or charter school policy, may be required to submit a <u>limited</u> criminal history check for teacher applicants.	Would be required to collect <u>national</u> criminal history check for all teacher applicants. Charter schools may require nonteacher applicants to submit <u>limited</u> criminal history information.
Fee	\$16 for persons who do not subscribe to AccessIndiana, \$15 for AccessIndiana subscribers, and \$7 by mail; fee is waived for school corporations.	National: \$32.25; \$15 of which is deposited into the state General Fund, \$17.25 is forwarded to the federal government. Limited: \$16 for persons who do not subscribe to AccessIndiana, \$15 for AccessIndiana subscribers, and \$7 by mail; fee is waived for school corporations.
Fee Responsibility	School corporation or charter school may require the certificated applicant to pay any fees required for a limited criminal history background check.	School corporation or charter school may require the certificated applicant to provide a set of fingerprints and pay any fees required for a national history background check or limited criminal history background check (for nonteacher applicants to charter schools).

Fees vary for limited criminal history background checks and depend on the method in which the information is obtained. Revenue from fees collected is deposited into the state General Fund and the IOT Portal Fund (see table below). The IOT reports that the Portal Fund is used to maintain and modify AccessIndiana webpages.

Limited Criminal History Background Check Fees				
Type of Fee	Information Obtained Through	Amount of Fee	Amount of Fee Deposited into State General Fund	Amount of Fee Deposited into IOT Portal Fund
AccessIndiana (Subscriber)	AccessIndiana Website	\$15	\$7	\$8
AccessIndiana (Non-Subscriber)	AccessIndiana Website	\$16.32	\$7	\$9.32
Mail/In-Person	Mail; In-Person	\$7	\$7	\$0
Partial Exemption	AccessIndiana Website; Mail; In-Person	\$7	\$7	\$0
Full Exemption	AccessIndiana Website; Mail; In-Person	\$0	\$0	\$0

Explanation of Local Expenditures: *Modification of Criminal History Check Policy:* Charter schools would be required to modify their current policies pertaining to criminal history checks for teacher and nonteacher

applicants. School corporations and charter schools should be able to accomplish this within their current level of budget and resources.

Criminal History Check Fees: School corporations and charter schools might also experience an increase in expenditures should they require a teacher applicant to complete a national criminal history background check and the school pay the fee for the check totaling \$32.25.

Explanation of Local Revenues: *Fingerprint Card Fees:* In both provisions of the bill, certificated school corporation and charter school applicants, as well as teacher license applicants, would need to submit a fingerprint card to complete a national criminal history background check. If the card is obtained through an ISP post, of which there are 18 statewide, it is free. If it is obtained from a local law enforcement agency, fees vary. Fees collected from fingerprint cards are used by the local police department which collects the fee. Actual use of the fees vary by department.

State Agencies Affected: ISP, IOT.

Local Agencies Affected: Local law enforcement, local school corporations.

Information Sources: Sherry Beck, ISP; Brian Creighton, DOE.

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