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**FISCAL IMPACT STATEMENT**

**LS 6468**

**BILL NUMBER:** SB 160

**NOTE PREPARED:** Mar 18, 2013

**BILL AMENDED:** Mar 18, 2013

**SUBJECT:** Teacher Background Checks.

**FIRST AUTHOR:** Sen. Wyss

**FIRST SPONSOR:** Rep. Rhoads

**BILL STATUS:** CR Adopted - 2<sup>nd</sup> House

**FUNDS AFFECTED:**  **GENERAL**  
 **DEDICATED**  
 **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** (Amended) This bill requires a school corporation, a charter school, or an accredited nonpublic school to either: (1) conduct an expanded criminal history check; or (2) enter into a contract with a consumer reporting agency to conduct a background check; concerning each applicant for noncertificated employment or certificated employment before or not later than three months after the applicant's employment by the school corporation, charter school, or accredited nonpublic school.

The bill provides that an "expanded criminal history check" requires a national criminal history background check. It provides that the State Police Department shall release the results of an expanded criminal history check to an inquiring school.

**Effective Date:** July 1, 2013.

**Explanation of State Expenditures:** (Revised) This bill could increase the workload of the Indiana State Police (ISP) to process background checks if there is an increase in the number of national criminal history background checks done by the ISP. Increases in workload should be offset by the increase in revenue from fees.

The bill could also reduce the processing of national history checks if the ISP can provide the full report instead of only verifying that the employee was not convicted of specific crimes.

**Explanation of State Revenues:** *Summary:* (Revised) Currently, school corporations can request either an

expanded or national criminal history background check verification. The ISP used the national criminal history background check to verify to the school that the person has not been convicted of specific crimes, but the ISP does not send the full report to the school. The bill requires the ISP to send the full report to the school, so more schools might want the full national background check instead of contracting with a consumer reporting agency. If schools request more national background checks, the increase in state revenue could be a maximum of \$44,100 per year from state fees assessed for the national criminal history background checks.

(Revised) Additional Information:

This bill changes the definition of an expanded criminal history background check to be the national criminal history background check. Currently, a school corporation can request either (1) a national criminal history background check or (2) a background check that searches the records maintained in all Indiana counties or similar governmental units in another state.

A national criminal history background check requires a search of 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 obtained through the ISP. For every national criminal history background check performed in the state, \$15 is forwarded to the General Fund.

Using information obtained from the Department of Education for CY 2012, school corporations employed a total of approximately 72,000 certified employees and 75,000 noncertified employees (a total of 147,000 employees). Assuming a 2% annual turnover in staff, an estimated 2,940 new certified and noncertified school employees would be required to undergo a national criminal history background check. This could increase state revenue by \$44,100 per year.

**Explanation of Local Expenditures:** (Revised) The change should have no fiscal impact on schools. A school could continue to contract with a consumer reporting agency or request the ISP to do a national history check. If the school requests a national criminal history check, the ISP would provide the full report instead of a report verifying that the employee has not been convicted of certain crimes.

The employee under IC 20-26-5-10 is required to pay the cost of the required criminal history check.

**Explanation of Local Revenues:**

**State Agencies Affected:** Indiana State Police.

**Local Agencies Affected:** Local schools and charter schools.

**Information Sources:**

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