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FISCAL IMPACT STATEMENT

LS 7327

BILL NUMBER: SB 363

NOTE PREPARED: Jan 25, 2011

BILL AMENDED:

SUBJECT: Criminal Background Checks of Health Professionals.

FIRST AUTHOR: Sen. Miller

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill has the following provisions:

- (1) Authorizes the Indiana State Police Department (ISP) to use the fingerprints of an individual in a request related to an individual applying for or renewing certain health professional licenses or certificates.
- (2) Adds \$6 to the fee to be collected by the ISP in conducting a criminal background check and deposited into a created Fingerprint Identification Fund.
- (3) Continually appropriates money in the Fingerprint Identification Fund.
- (4) Requires the ISP to permanently retain the applicant's fingerprints and store the fingerprints separately from fingerprints collected for the state central repository for criminal data.
- (5) Requires applicants for certain licensed health professions to submit to a national criminal history background check.
- (6) Requires the ISP to release the results of the national criminal history background check to the Indiana Professional Licensing Agency (PLA).
- (7) Authorizes the agency or a licensing board to suspend, deny, or revoke a license if the applicant or license holder has been convicted of specified offenses.
- (8) Requires the ISP and the PLA to enter into a memorandum of understanding to provide data exchange and data matching regarding licensees who are charged with or convicted of an offense.
- (9) Requires the personal information data exchanged to be kept confidential.

Effective Date: July 1, 2011.

Explanation of State Expenditures: See Below.

Explanation of State Revenues: *Summary:* This bill is expected to increase state revenue to the General Fund by approximately \$1.79 M per year and generate approximately \$1.07 M in annual revenue for the Fingerprint Identification Fund, created by the bill. The Fingerprint Identification Fund is established for the purpose of maintaining and updating the ISP's Automated Fingerprint Identification System.

The bill is also expected to increase the workload of the ISP to maintain fingerprint information separate from fingerprints received from the Department of Correction (DOC) and to operate under a memorandum of understanding with the Professional Licensing Agency.

Additionally, the workload of the PLA is expected to increase to (1) deny the applications for licensure or certificate of individuals who are convicted of specified disqualifying offenses and (2) suspend and revoke licenses or certificates of individuals who are convicted of new disqualifying offenses added by the bill.

Additional Information:

The bill will require the ISP to charge individuals that request a national criminal history background check an additional \$6 fee that is to be deposited into the Fingerprint Identification Fund. Currently, for every national criminal history background check requested, \$15 is forwarded to the General Fund. For FY 2010, the General Fund received approximately \$900,000 from fees for national criminal history background checks. This equates to approximately 60,000 requests for national criminal history information. This will generate approximately \$360,000 in revenue for the Fingerprint Identification Fund per year.

The bill will further increase revenue to the General Fund and the Fingerprint Identification Fund (greater than the estimate provided above) from fees for national criminal history information requested by individuals who seek licensure or certificate for professions listed in the bill (both new applications and renewals). The PLA reports there are 198,000 individuals who are currently licensed or certified in one of the professions specified in the bill. These licenses and certificates expire every two years. Requiring these licensed and certified individuals to obtain a national criminal history background check as a condition of license renewal is expected to increase revenue to the General Fund and Fingerprint Identification Fund by approximately \$1.49 M and \$594,000 per year, respectively.

According to the PLA, approximately 10% of all applications for licensure or certification are new applications. Given this information, the number of requests for licensure and certification (along with requests for national criminal history information) will increase by approximately 19,800 requests annually. These new requests for licensure and certification will increase revenue to the General Fund and the Fingerprint Identification Fund by approximately \$297,000 and \$119,000, respectively.

Currently, individuals applying for licensure or certification in a profession defined in the bill are only required to self-report convictions for a disqualifying offense specified in current law and added by the bill. The fees for a national criminal history background check for applicants would either be (1) included in the cost of licensure/certification application or (2) the responsibility of the applicant. The costs of criminal history background check would be passed on to the applicant in both scenarios.

Explanation of Local Expenditures: This bill will increase the workload of probation officers to also determine if a convicted individual holds a license or certification in a profession regulated by the PLA as a part of their presentence investigation. Increases in workload are indeterminable.

Explanation of Local Revenues:

State Agencies Affected: ISP, PLA.

Local Agencies Affected: Local courts.

Information Sources: *Indiana Handbook of Taxes, Revenues, and Appropriations*; Marty Allain, Professional Licensing Agency, 317-234-1987.

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