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FISCAL IMPACT STATEMENT

LS 7327

BILL NUMBER: SB 363

NOTE PREPARED: May 4, 2011

BILL AMENDED: Apr 29, 2011

SUBJECT: Criminal Background Checks of Health Professionals.

FIRST AUTHOR: Sen. Miller

FIRST SPONSOR: Rep. Frizzell

BILL STATUS: Enrolled

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill has the following provisions:

- (1) Requires the Indiana State Police Department (ISP) to permanently retain a health professional applicant's fingerprints and store the fingerprints separately from fingerprints collected for the state central repository for criminal data.
- (2) Amends and adds certain crimes for which the Department of Education (DOE) must revoke the license of a school employee.
- (3) Requires applicants for certain licensed health professions to submit to a national criminal history background check.
- (4) Requires the ISP to release the results of the national criminal history background check to the Indiana Professional Licensing Agency (PLA).
- (5) Authorizes a licensing board to suspend, deny, or revoke a license if the applicant or license holder has been convicted of specified offenses.
- (6) 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.
- (7) Requires the personal information data exchanged to be kept confidential.
- (8) Allows the board of a regulated occupation to designate a person to act on behalf of the board to perform certain duties when seeking a cease and desist order.

Effective Date: Upon Passage; July 1, 2011.

Explanation of State Expenditures:

Explanation of State Revenues: *Summary:* This bill is expected to increase state revenue to the General Fund by approximately \$446,000 per year.

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 (PLA).

Additional Information:

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.

The PLA reports there are 198,000 individuals who are currently licensed or certified in one of the professions specified in the bill. 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 by approximately \$297,000 per year.

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 bill will allow a board, commission, or committee to conduct a random audit and require applicants for license or certificate renewal to obtain a national criminal history background check. The actual number of individuals that will be audited and required to obtain a national criminal history background check is unknown. However, assuming 5% of all licensed or certified individuals (198,000) are selected for audit and thereby required to obtain a national criminal history background check, 9,900 individuals will request a national criminal history background check annually. This is expected to increase revenue to the General Fund by approximately \$149,000 per year.

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.

The bill would also expand the list of crimes for which a prosecuting attorney or school superintendent would be required to provide notice of the conviction to the State Superintendent of Public Instruction. The Department of Education would then be required to hold a hearing on the matter and permanently revoke the teaching license of the teacher convicted of the felony. The impact on the state would depend on the number of hearings held each year, but the fiscal impact would probably be minor.

Explanation of Local Revenues:

State Agencies Affected: ISP, PLA, other state professional licensing regulating bodies, Department of Education.

Local Agencies Affected: Local courts, local school corporations.

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

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