

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4382-01
Bill No.: HB 1459
Subject: Employees - Employers; Crimes and Punishment
Type: Original
Date: January 6, 2016

Bill Summary: This proposal prohibits employers from inquiring into or considering the criminal records of applicants before offering a conditional offer of employment.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	(\$10,935)	\$0	\$0
Total Estimated Net Effect on General Revenue	(\$10,935)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of Administration (OA) - Personnel** assumes this proposal would require changes to the existing Electronic Application System (EASe) and Management and Application Information Resource System (MAIRS). It will require staff to analyze the existing applications, make database changes, make coding changes, test those changes and an implementation to production. OA Division of Personnel staff will be required to analyze the job class data and provide the list of job classes that are required to collect criminal record information.

Paper applications would also need to be modified, removing reference to criminal convictions.

OA anticipates the cost to convert the system by job classification rather than by application would cost \$10,935 and take IT Consultants approximately 146 work hours to complete.

Oversight assumes OA is provided with core funding to handle a certain amount of activity each year. Oversight assumes OA could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, OA could request funding through the appropriation process.

Oversight notes that subdivision 5 states that these changes would not apply to state, county, or municipal law enforcement agencies.

Officials at the **Department of Labor and Industrial Relations** assumes the Missouri Commission on Human Rights (MCHR) could absorb the increase in complaints with existing resources. However, if the number of cases were significant or additional legislation was enacted which increased other type of MCHR complaints, the impact could be substantial enough that the MCHR could not absorb the costs without additional resources.

Oversight assumes should MCHR see an increase in complaints to justify additional resources they can seek those resources through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
GENERAL REVENUE			
<u>Costs - IT Consultants</u>			
145.80 Hours at a rate of \$75 per Hour	<u>(\$10,935)</u>	\$0	\$0
TOTAL NET EFFECT ON GOVERNMENT FUNDS	<u>(\$10,935)</u>	<u>\$0</u>	<u>\$0</u>
 <u>FISCAL IMPACT - Local Government</u>			
	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

A positive fiscal impact to small businesses could be expected as a result of this proposal due to changes in hiring practices which may result in expansion of qualified employee pool.

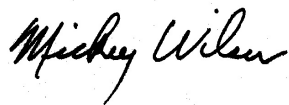
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Labor and Industrial Relations
Office of Administration - Personnel



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