

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4300H.011  
Bill No.: HB 1800  
Subject: Highway Patrol; Professional Registration and Licensing; Crimes and Punishment  
Type: Original  
Date: February 21, 2024

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Bill Summary: This proposal modifies provisions relating to criminal history background checks.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
General Revenue	(\$199,000)	(\$157,436)	(\$159,984)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$199,000)</b>	<b>(\$157,436)</b>	<b>(\$159,984)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
Criminal Records System	Could exceed \$176,000	Could exceed \$176,000	Could exceed \$176,000
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>Could exceed \$176,000</b>	<b>Could exceed \$176,000</b>	<b>Could exceed \$176,000</b>

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
General Revenue	2 FTE	2 FTE	2 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>2 FTE</b>	<b>2 FTE</b>	<b>2 FTE</b>

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §§43.546, 190.106, 301.551 – Background checks for certain applicants

Officials from the **Department of Health and Senior Services (DHSS)** state §190.106 of the proposed legislation requires the DHSS to collect fingerprint cards on all Emergency Medical Technician (EMT) or Paramedic licensure applicants for the purposes of running state and federal background checks.

Currently, the Division of Regulation and Licensure's (DRL), Bureau of Emergency Medical Services (BEMS) licenses 18,000 EMTs or Paramedics. First-time applicants in Missouri are fingerprinted and nationwide criminal history is obtained through the Federal Bureau of Investigation (FBI) for a fee of \$45 each. After an initial license is received, the individual is required to renew said license every five years. License renewals only require a Missouri criminal history check, which does not require fingerprinting, for a fee of \$15 each.

Sections 190.142 and 190.903, RSMo and 19 CSR 30-40.342 make it clear that FBI criminal background checks only need to be conducted on initial applicants and those who have not resided in Missouri for the entire five year relicensure period. These statutes and regulation will allow BEMS to continue with the current relicensure background check process.

It is assumed the DHSS can absorb the costs of this bill with current resources. However, if the workload significantly increased or other legislation was enacted, additional resources would be requested through the appropriation process.

**Oversight** has no information to the contrary. Therefore, Oversight will present the no fiscal impact of this proposal as provided by DHSS.

Officials from the **Department of Revenue (DOR)** state §301.551 will require applicants for licensure as a new motor vehicle dealer, used motor vehicle dealer, public motor vehicle action, RV dealer, trailer dealer, boat dealer, manufacture, or boat manufacture to submit fingerprints to the Missouri State Highway Patrol (MSHP) for the purpose of conducting a state and federal fingerprint-based criminal history background check.

The DOR will have the following fiscal impact:

### Administrative Impact

To implement the proposed changes, the DOR will be required to:

- Update procedures, correspondence letters, forms, and the Department website;
- Update the Dealer and Business operating manual;
- Update Department Systems
- Send communications to registered dealers
- Need additional FTE; and
- Equipment for new FTE

The DOR will require 2 additional FTE for reviewing criminal background checks and processing the additional documentation. This legislation will require an employee to access the MSHP managed system, MACHS. Since the new process will give the Motor Vehicle Bureau (MVB) an extensive view of an applicant's criminal history, the DOR is expecting the review times for the applications to be increased. Additionally, the information contained in MACHS is considered SBU (Sensitive but Unclassified) federal information. MVB would ideally restrict the number of employees with access to the system to protect the confidentiality of the data, i.e. the requested data analysts would be accessing/reviewing/approving the MACHS data before MVB grants or renews dealer licenses.

MVB has roughly 8,000 active dealers within Missouri. Based on data from other states who have implemented the same federal fingerprinting requirement, MVB estimates 10% of its current dealers will be denied renewal, or approximately 800 denials. This will increase the volume of calls and correspondence. The same thing could be said about new dealers seeking a dealer license in Missouri.

After completing the required training, MVB would also participate in MSHP's Rap Back Program. The program will automatically notify MVB every time a registered dealer commits a crime and is fingerprinted for said crime. The Associate Research Data Analyst would be responsible for keeping up with those notifications and beginning procedures to revoke licenses if it is a punishable offense.

DOR anticipates an increase in calls, correspondence, and a delay in processing due to the proposed legislation. The additional FTE would assist in the implementation and continuity of the federal fingerprint-based criminal history background checks.

With the changes, new and renewing dealers may be denied a license to operate, the DOR foresees a need for additional legal resources to pursue such denial actions and defending any appeals which may arise from the denials.

FY 2025 - Motor Vehicle Bureau additional FTE costs

Associate Research Data Analyst \$45,006  
Equipment costs for laptops and accessories \$664  
Additional monitors needed 2 @ \$95 each  
Cubicle, chair, calculator \$8,438 each  
Phone \$525 each  
Headset \$125 each  
Total per FTE \$54,948  
\* 2 FTE  
Total \$109,896

FY 2025 – Motor Vehicle Bureau

Research/Data Analyst 30 hrs. @ \$27.00 per hr. =	\$ 810
Administrative Manager 10 hrs. @ \$29.31 per hr. =	\$ 293
Associate Research/Data Analyst 20 hrs. @ \$25.22 per hr. =	<u>\$ 504</u>
Total	\$1,607

FY 2025 – Systems Analysis and Support

Research/Data Analyst 20 hrs. @ \$27.00 per hr. =	\$ 540
Administrative Manager 10 hrs. @ \$29.31 per hr. =	\$ 293
Associate Research/Data Analyst 80 hrs. @ \$22.06 per hr. =	<u>\$ 1,765</u>
Total	\$ 2,598

FY 2025 –Strategy and Communications Office

Research/Data Analyst 30 hrs. @ \$27.00 per hr. =	\$ 810
Administrative Manager 10 hrs. @ \$29.31 per hr. =	\$ 293
Associate Research/Data Analyst 20 hrs. @ \$22.06 per hr. =	<u>\$ 441</u>
Total	\$1,544

**Total Costs = \$115,645**

The fiscal impact estimated above is based on changes in the current DOR's Motor Vehicle and Driver Licensing system environment. The implementation of this legislation will be coordinated with the integration of the Department's Motor Vehicle and Driver Licensing software system approved and passed by the general assembly in 2020 (Senate Bill 176). To avoid duplicative technology development and associated costs to the state, it is recommended a delayed effective date be added to this bill to correlate with the installation of the new system.

### Fusion Impact

The costs associated with these legislative changes may be outside of the current contract and identified programming work for DOR's incoming integrated system. As such, the DOR has included the potential costs associated with making the changes to the integrated system by the department's current vendor.

To develop a function within Fusion to add data entry fields to the dealer registration and account maintenance processes, FAST estimates a \$50,000 change request to add this to the scope of Motor Vehicles rollout.

**Oversight** contacted DOR regarding the potential number of new applicants they receive on a yearly basis. DOR indicated they do not separate applications by new versus renewing dealers but assume the 8,000 applications are mostly renewals. The number stays roughly the same from one year to the next. Therefore, there would be some new dealers filing applications, but there is no way to determine that number.

DOR officials assume the applicant would be required to pay any background fees and the moneys would go to the MHP.

**Oversight** contacted DOR officials regarding background checks for renewals. DOR officials stated applicants need to have a new background check performed each time they apply for a renewal. The first 2 background checks are only good for a year each (initial licensing year and then the first renewal year). After that, renewals are good for 2 years so the background check would be good for 2 years.

Officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** state HB 1800 proposes a new §301.155 which allows DOR the ability (§301.551.2) to require a fingerprint criminal record check in part of an application process for said licenses. If DOR chooses to do so as a policy decision then as a result revenue would be generated into the Criminal Records System Fund.

**Oversight** notes the current fingerprint-based background check fee is \$41.75. The State portion of that fee is \$20 + \$2 retained from the federal fee. Based on DOR's estimate of 8,000 applications annually, the potential income into the Criminal Records System Fund (0671) could be as much as \$176,000 annually attributable to the number of background checks required by DOR alone. However, Oversight further notes the provision of this proposal require a number of other state agencies, boards and committees require applicants to submit fingerprints when seeking various licenses or permits. Therefore, Oversight assumes the income into the Criminal Records System Fund "Could exceed \$176,000" for each FY 25, FY26 and FY27.

Officials from the **University of Missouri (UM)** state this bill would only create a fiscal cost for the University if UM chooses to pay licensure costs for individuals in the covered licensed professions/occupations (including the fingerprint costs associated with the bill).

**Oversight** assumes the University would not incur significant costs if it chooses to cover the cost of background checks for potential employees and the cost would be absorbable within the current funding levels of the University. Therefore, Oversight will present no fiscal impact to the University.

Officials from the **Missouri Lottery Commission (LOT)** states the proposal appears to remove §43.543 which states the Lottery along with other agencies shall submit fingerprints to Missouri Highway Patrol (MHP) to check a person's criminal history. Other agencies are specifically added to the draft legislation but the Lottery is not. However, §313.220 provides provisions giving the LOT the authority to require a fingerprint background check on any person seeking employment with the commission or seeking to contract with the commission. The background check shall include a check of the Missouri criminal records repository and when the commission deems it necessary to perform a nationwide criminal history check, a check of the Federal Bureau of Investigation's criminal records file. In addition, notwithstanding the provisions of §610.120, the commission shall have access to closed criminal history information when fingerprints are submitted. Therefore, the LOT assumes the provisions of this proposal will have no fiscal impact on their organization.

**Oversight** has no information to the contrary. Therefore, Oversight will present no fiscal impact for this proposal as for the LOT.

Officials from the **Office of Administration - Administrative Hearing Commission**, the **Department of Commerce and Insurance**, the **Department of Elementary and Secondary Education**, the **Department of Higher Education and Workforce Development**, the **Department of Mental Health**, the **Department of Natural Resources**, the **Department of Corrections**, the **Department of Public Safety, Divisions of: Alcohol and Tobacco Control, Capitol Police, Fire Safety, Director's Office, Missouri Gaming Commission**, the **Missouri Highway Patrol** and the **Missouri Veterans Commission**, the **Department of Social Services**, the **Missouri Department of Conservation**, the **Missouri Department of Transportation**, the **Office of the State Public Defender**, the **Office of the State Treasurer**, the **City of Kansas City**, the **City of O'Fallon**, the **Phelps County Sheriff's Department**, the **Kansas City Police Department**, the **St. Louis County Police Department**, **Northwest Missouri State University**, the **University of Central Missouri**, the **Missouri Consolidated Health Care Plan** and the **Missouri Office of Prosecution Services** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

**Oversight** only reflects the responses received from state agencies and political subdivisions; however, other cities, various county officials, sheriffs and police, schools, hospitals, colleges and universities and solid waste management districts were requested to respond to this proposed

legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

Officials from **Office of the State Courts Administrator** state there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

Officials from the **Attorney General’s Office** did not respond to **Oversight’s** request for a statement of fiscal impact.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
<b>GENERAL REVENUE FUND</b>			
<u>Costs – DOR (§301.155) p.3-6</u>			
Personal service	(\$75,010)	(\$91,812)	(\$93,648)
Fringe benefits	(\$54,106)	(\$65,624)	(\$66,336)
Equipment and expense	(\$19,884)	\$0	\$0
Contract programming costs	(\$50,000)	\$0	\$0
<b>Total Costs - DOR</b>	<b>(\$199,000)</b>	<b>(\$157,436)</b>	<b>(\$159,984)</b>
FTE Change - DOR	2 FTE	2 FTE	2 FTE
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>(\$199,000)</u></b>	<b><u>(\$157,436)</u></b>	<b><u>(\$159,984)</u></b>
Estimated Net FTE Change on the General Revenue Fund	2 FTE	2 FTE	2 FTE
<b>CRIMINAL RECORDS SYSTEM FUND (0671)</b>			
<u>Income – MHP (§301.155) – fingerprint background check fees p. 6</u>	Could exceed \$176,000	Could exceed \$176,000	Could exceed \$176,000
<b>ESTIMATED NET EFFECT ON THE CRIMINAL RECORDS SYSTEM FUND</b>	<b><u>Could exceed \$176,000</u></b>	<b><u>Could exceed \$176,000</u></b>	<b><u>Could exceed \$176,000</u></b>



<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

This proposal will impact small businesses that are required to have background checks performed before receiving licenses to operate. (§301.155)

FISCAL DESCRIPTION

This bill modifies provisions related to criminal background checks.

The bill requires the specified entities to require its applicants seeking various licenses or permits to submit fingerprints to the Missouri State Highway Patrol for the purpose of undergoing state and federal criminal background checks.

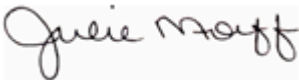
The fingerprints and any required fees will be sent to the MSHP central repository and will be forwarded to the Federal Bureau of Investigation. The MSHP will notify the respective agency, board, or other oversight body of their applicants' criminal history or lack thereof.

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

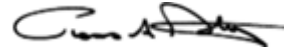
SOURCES OF INFORMATION

- Office of Administration - Administrative Hearing Commission
- Department of Commerce and Insurance
- Department of Elementary and Secondary Education
- Department of Higher Education and Workforce Development
- Department of Health and Senior Services
- Department of Mental Health
- Department of Natural Resources
- Department of Corrections
- Department of Revenue
- Department of Public Safety –
  - Alcohol and Tobacco Control
  - Capitol Police
  - Fire Safety
  - Director’s Office

Missouri Gaming Commission  
Missouri Highway Patrol  
Missouri Veterans Commission  
Department of Social Services  
Missouri Department of Conservation  
Missouri Department of Transportation  
Office of the State Public Defender  
Office of the State Treasurer  
University of Missouri  
City of Kansas City  
City of O'Fallon  
Phelps County Sheriff  
Kansas City Police Department  
St. Louis County Police Department  
Northwest Missouri State University  
University of Central Missouri  
Missouri Lottery  
Missouri Consolidated Health Care Plan  
Missouri Office of Prosecution Services



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