

May 15, 2017

The Honorable John Barker, Chairperson
House Committee on Federal and State Affairs
Statehouse, Room 285-N
Topeka, Kansas 66612

Dear Representative Barker:

SUBJECT: Fiscal Note for HB 2427 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2427 is respectfully submitted to your committee.

HB 2427 would amend current law that allows the Kansas Department for Aging and Disability Services (KDADS) to conduct name-based record checks on adult care home employees. The bill would strike this language and insert language that would require KDADS to perform a fingerprint-based background check for persons working in adult care homes. The results of the record checks that would be performed by the Kansas Bureau of Investigation (KBI) would be used to determine suitability for employment or contracting. The bill would also provide a process for individuals prohibited from working in adult care homes to apply for a waiver, provided specific time periods have passed and all sentencing requirements have been fulfilled. The bill would permit other state agencies to access the system to submit record requests. A maintenance fee of \$1 per request, in addition to the costs of the background checks, would be authorized and collected by KDADS to assist in creating a self-sustaining system that would codify current agency practices of conducting national background checks.

Estimated State Fiscal Effect				
	FY 2018 SGF	FY 2018 All Funds	FY 2019 SGF	FY 2019 All Funds
Revenue	--	\$2,452,800	--	\$2,452,800
Expenditure	--	\$442,701	--	\$442,701
FTE Pos.	--	9.00	--	9.00

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Enactment of HB 2427 would not have a fiscal effect for KDADS since the agency has received grant funding from the Centers for Medicare and Medicaid Services to develop and maintain a background check system that would transition to a self-sustaining system once the grant funding expires. As additional agencies request use of the system, costs will increase; however, the maintenance fee per request would help sustain the system.

The KBI indicates that the passage of HB 2427 would increase expenditures by \$442,701 in FY 2018 and require the addition of 9.00 FTE positions. The expenditures would include salaries and wages for the training and fingerprint processing duties of new laboratory technician positions, for employees to research and respond to appeals related to the bill, and for employees to update and maintain the automated fingerprint identification system for a total of \$350,595 in employee related costs. The bill would also require \$92,106 in additional maintenance costs. The bill would increase revenues to the Record Check Fee Fund in FY 2018 by \$2,452,800. The revenue estimate is based on the number of name-based record checks the KBI conducted for KDADS in FY 2016. Although the KBI states that the number of checks that will be conducted in FY 2019 cannot be estimated, the Division of the Budget has included the same estimates for FY 2019 that have been provided for FY 2018. Any fiscal effect associated with HB 2427 is not reflected in *The FY 2018 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget

cc: Cody Gwaltney, Aging & Disability Services
Ashley Michaelis, Judiciary
Shelia Sawyer-Tyler, KBI