

HF2780 - 2E - "Modify Background Study Provisions; Unify"

Chief Author: **Duane Quam**
 Committee: **Health and Human Services Finance**
 Date Completed: **03/27/2018**
 Agency: **Human Services Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		
		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium	
	Dollars in Thousands	FY2017	FY2018	FY2019	FY2020
General Fund	-	-	6	-	-
Total	-	-	6	-	-
Biennial Total			6		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2017	FY2018	FY2019	FY2020	FY2021
General Fund	-	-	.08	-	-
Total	-	-	.08	-	-

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Travis Bunch Date: 3/27/2018 3:10:58 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2017	FY2018	FY2019	FY2020	FY2021
General Fund		-	-	6	-	-
Total		-	-	6	-	-
Biennial Total				6		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund		-	-	6	-	-
Total		-	-	6	-	-
Biennial Total				6		-
2 - Revenues, Transfers In*						
General Fund		-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

Section 1. Allows a parent to choose to submit a national criminal history record check for their child if the child is age 13 to 17 and resides in a household where child care is provided. Makes the section effective upon the implementation of NETStudy 2.0 for family child care programs.

Sections 2-4. Clarifies which entities could share and retain data. It also clarifies requirements for notifying background study subjects.

Section 5. Requires the commissioner of human services to work with relevant stakeholders, agencies, and boards to unify the background study systems for health, human services, health-related occupational licensing boards, and the Professional Educator Licensing and Standards Board. Requires the commissioner to establish a single background study process for the above professions and agencies, transferable between professions, counties, and provider types. Requires the commissioner to simplify the background study fee structure, identify any federal waivers necessary to complete this task, and propose legislation in the 2019 legislative session to establish the unified background study process. Makes this section effective the day following final enactment.

Assumptions

Section 1 requires changes to NETStudy 2.0 in order to allow the study submitter to “override” the assumption that a minor does not have a fingerprint-based FBI study as would be required in this bill. Because this is a small modification to the system, providers’ fees collected under 245C.10 that are appropriated to the commissioner for the purposes of conducting background studies will pay for any changes. The DHS background study system is enterprise-based meaning fees are charged to cover the costs associated with conducting background studies. DHS monitors costs and fees and, as required under Minnesota Statutes, section 16A.1285, subdivision 2, DHS will propose legislation as necessary to assure that the statutorily established background study fee “is set at a level that neither significantly over recovers nor under recovers costs, including overhead costs, involved in providing the services.”

Sections 2-4 do not have any fiscal impact on the department as they clarify or reinforce current operational policies.

Section 5 requires the commissioner to coordinate with three external entities, research and identify process improvements, conduct fee analyses, and draft legislation that would create a unifying background study structure in the state. We estimate that this will take about one month of a full time equivalent (160 hours) of a Human Services Program Consultant (Step 17 - \$33.42/hour) to coordinate and complete this analysis and proposal.

Salary 160 hours at \$33.42/hr

Fringe 30% of salary

Overhead total of \$2,291/month

Federal Financial Participation 35%

Expenditure and/or Revenue Formula

Salary: 160 hours times \$33.42 = \$5,347

Fringe: 30% of salary = \$1,604

Overhead: \$2,291/mo. for one month

Sub total: \$9,242

FFP: (\$3,235)

Fiscal Tracking Summary (\$000's)						
Fund	BACT	Description	FY2018	FY2019	FY2020	FY2021
GF	11	Unified Background Study Research and Proposal		\$9		
GF	REV1	FFP		(\$3)		
		Total Net Fiscal Impact		\$6		
		Full Time Equivalents		.08		

Long-Term Fiscal Considerations

This analysis does not account for the potential changes needed to implement the proposal required in section 5 of the bill.

Local Fiscal Impact

County Human Services agencies submit background studies for individuals affiliated with legal nonlicensed and licensed family programs. The changes proposed in this bill will have a de minimis impact on county staff's time in submitting background studies to DHS for processing and completion.

References/Sources

MAPE Contract
2018 Fiscal Noting Central Office Administrative Costs

Agency Contact:

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