

**Department of Legislative Services**  
2012 Session

**FISCAL AND POLICY NOTE**

Senate Bill 680 (Chair, Finance Committee)(By Request - Departmental - Budget and Management)  
Finance Appropriations

**State Personnel Management System - Criminal History Records Check**

This departmental bill authorizes appointing authorities within the State Personnel Management System (SPMS) to request, for a specified prospective or current employee, a State and national criminal history record information (CHRI) check from the Criminal Justice Information System (CJIS) Central Repository of the Department of Public Safety and Correctional Services (DPSCS). When applying for a CHRI check, the appointing authority must submit specified fees and two complete sets of fingerprints taken on specified forms to the CJIS Central Repository. The CJIS Central Repository must forward the CHRI results to the appointing authority and the prospective or current employee. CHRI checks are confidential, may not be disseminated, and may be used only for specified employment purposes. Subjects of a CHRI check may contest the results. The Secretary of Budget and Management is authorized to adopt implementing regulations, guidelines, and policies.

The bill takes effect July 1, 2012.

**Fiscal Summary**

**State Effect:** State expenditures (all funds) increase by \$24,800 in FY 2013 for CHRI checks. Future year estimates assume stable employee turnover rates and no change in applicable fees. Revenues are not affected.

(in dollars)	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Revenues	\$0	\$0	\$0	\$0	\$0
GF/SF/FF Exp.	24,800	24,800	24,800	24,800	24,800
Net Effect	(\$24,800)	(\$24,800)	(\$24,800)	(\$24,800)	(\$24,800)

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** The Department of Budget and Management (DBM) has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

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## Analysis

**Current Law/Background:** Under current State policy, background investigations conducted on prospective employees check the candidate's date of birth, Social Security number, and criminal convictions within Maryland. However, using the current process, the State does not have authority to obtain criminal records from outside the State. Access to national records would provide State agencies with more complete information upon which to base employment decisions and enhance internal security measures that are currently in place.

The CJIS Central Repository collects, manages, and disseminates Maryland CHRI for criminal justice and noncriminal justice (*e.g.*, employment and licensing) purposes. CJIS is a fingerprint-supported system for positive identification. Government agencies request over 200,000 criminal history background checks per year for employment purposes. Private employers meeting certain criteria may petition for and receive background checks on prospective employees.

The CJIS Central Repository is authorized by law to collect a fee for providing CHRI for purposes other than criminal justice; the fee is currently set at \$18.00. The CJIS Customer Service Center charges a \$20 flat fingerprinting fee. The U.S. Federal Bureau of Investigation (FBI) charges a fee of \$16.50 for a national CHRI check. The CJIS Central Repository collects the fee from the applicant and reimburses the FBI.

Chapter 738 of 2009 provided equivalent authority to the Secretary of Transportation for prospective and current employees under the Maryland Department of Transportation's independent personnel management system.

**State Fiscal Effect:** The cost of a State-only CHRI check is \$38.00, which includes the \$18 fee and \$20 flat fingerprinting fee. Adding a national record check increases the cost by the amount of the FBI fee, or \$16.50. The State already conducts the State-only check on affected positions, so the marginal cost of the bill is the \$16.50 FBI fee for each national record check.

DBM advises that approximately 15,000 positions in SPMS require a criminal background check. Assuming normal employee turnover, DBM anticipates that 1,500 record checks will be requested annually, at a total cost of approximately \$24,750. It is assumed that the cost will not be passed on to prospective or current employees. The FBI processing fee actually declined recently after being constant for several years, so no fee increase is anticipated for the next five years.

DPSCS advises that the fingerprinting and criminal history checks required under the bill are handled on a cost-recovery basis.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Budget and Management, Department of Public Safety and Correctional Services, Department of Legislative Services

**Fiscal Note History:** First Reader - March 13, 2012  
mlm/ljm

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## ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: State Personnel Management System – Criminal History Records Check

BILL NUMBER: SB 680

PREPARED BY: Department of Budget and Management

### PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

### PART B. ECONOMIC IMPACT ANALYSIS

The proposed legislation will have no impact on small business in Maryland.