

**Department of Legislative Services**  
 Maryland General Assembly

**FISCAL NOTE**  
**Revised**

House Bill 801 (Delegates Hammen and Gordon)  
Environmental Matters

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**Adult Dependent Care Programs - National Criminal History Records Checks**

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This bill requires that “adult dependent care programs” apply and pay for national and State criminal history records checks for prospective employees (currently only a State criminal history records check or private agency background check is required). In addition, an adult dependent care program is authorized to request a private agency to conduct a background check. Any conviction or pending charge information received from the national criminal history records check must be recorded on a printed statement by the Department of Public Safety and Correctional Services (DPSCS) and distributed in accordance with federal law. The recording of the existence of a conviction or pending charge may not identify or disclose to a private entity the specific crime but must disclose to a private entity the existence of a conviction or pending charges for any of the crimes equivalent to those enumerated by DPSCS.

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**Fiscal Summary**

**State Effect:** Increase in equipment and programming expenditures of \$149,000 in FY 1999 only. Increase in criminal record check and fingerprinting expenditures, offset by cost recovery fees. Potential increase in general fund expenditures and federal fund revenues for those adult dependent care programs reimbursed by Medicaid or State community service programs.

(in dollars)	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
GF Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditures	149,000	---	---	---	---
Net Effect	(\$149,000)	---	---	---	---

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

**Local Effect:** Potential indeterminate increase in revenues and expenditures. **This bill places a mandate on a unit of local government.**

**Small Business Effect:** Minimal.

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## Fiscal Analysis

**Background:** An “adult dependent care program” is defined in Health-General Article 19-901 as various facilities regulated by State law. These facilities include adult day care facilities, assisted living facilities, group homes, home health agencies, congregate housing services, residential service agencies, alternative living units, hospice facilities, and nursing homes.

The Data Services Division (DSD) of the Department of Public Safety and Correctional Services provides criminal history records checks. A check of national records costs \$24 and a check of State records costs \$18. Unless authorized by federal law, the Federal Bureau of Investigation (FBI) requires that application for a national criminal history records check be submitted through a centralized state agency such as the Criminal Justice Central Repository (CJIS). CJIS must collect the fee from the applicant and reimburse FBI. Fingerprinting costs \$10 per person if done by CJIS or the Department of State Police. Local police departments charge varying fees for fingerprinting.

**State Effect:** There are approximately 26,600 employee applications for adult dependent care programs on an annual basis. This estimate reflects the number of background checks done by private firms as well as State criminal history record checks conducted by CJIS.

DSD general fund expenditures would increase by \$149,000 in fiscal 1999 only due to the volume of record checks generated by adult dependent care employees. This estimate includes the purchase of a new fingerprint matcher workstation (\$124,000) and additional computer programming (\$25,000).

Current law requires either a State criminal history record check or a private agency background check. Current adult dependent care program expenditures per applicant for a private agency background check range from \$8 to \$20. Because the bill requires adult dependent care programs to apply for both a national and State criminal history record check, program expenditures per applicant would be \$42 (\$24 for a national check and \$18 for a State check). However, adult dependent care programs are already paying either \$18 for a State criminal history record check or \$8-\$20 for a private background check. Therefore, the cost increase for a State check could be up to \$10 if a program currently uses a private background check that costs less than the State criminal history record check. Program expenditures per applicant could increase by an additional amount if a program chooses to continue to use a private agency background check in addition to the required State criminal history record check.

Adult dependent care programs would pay at least an additional \$638,400 for 26,600 national criminal history record checks on an annual basis. This estimate assumes 26,600 employee applications and an increased cost of at least \$24. DSD will pay the FBI the \$24 per applicant that it collects for a national criminal history record check. Adult dependent care programs could pay up to an additional \$266,000 for State criminal history record checks. This estimate assumes 26,600 employee applications and an increased cost of up to \$10 per applicant for some of the programs.

Accordingly, State costs could increase, to the extent that some of the additional adult dependent care facility costs (estimated in the range of \$638,400 to \$904,400) are passed on to the State. The Department of Health and Mental Hygiene (DHMH) estimates that 65% of nursing home costs are paid by Medicaid. In addition, DHMH provides funding for community services programs such as adult dependent care programs. Medicaid expenditures would be partially offset by federal fund revenues, as the federal government funds 50% of Medicaid.

**Local Effect:** For jurisdictions that operate facilities or programs with employees that would be required to have background checks under this bill, expenditures could increase by an indeterminate amount. Any increase would depend on the number of local employees and the amount of reimbursement from State or federal programs.

**Additional Comments:** It is assumed that adult dependent care programs are not required to pay for the costs of fingerprinting applicants, because the bill specifies only that a program pay for the national and State criminal history record check. The bill does not specify that a program pay for fingerprinting of applicants.

**Small Business Effect:** The bill could adversely affect small business adult dependent care program providers, which would be required to pay for the \$24 per applicant cost of a national criminal history record check and up to an additional \$10 per applicant if a program currently uses a private background check that costs less than the State criminal history records check. This effect would be mitigated, however, to the extent that additional costs could be passed on to the State, which provides funding for community services programs. In addition, small business private agencies that conduct background checks for adult dependent care programs could be adversely affected to the extent that adult dependent care programs no longer use a private agency as a result of the bill's provisions.

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**Information Source(s):** Department of Public Safety and Correctional Services (Data Services Division); Department of State Police; Department of Health and Mental Hygiene (Medical Care Programs Administration, Licensing and Certification Administration, Mental Hygiene Administration, Developmental Disabilities Administration); Department of Legislative Services; Maryland Association of Non-Profit Homes for the Aging; Health

Facilities Association of Maryland

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