

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE

House Bill 744 (Delegates Petzold and Doorv)

Judiciary

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**Informal Child Care Providers - Criminal History Records Check**

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This bill requires child care providers who receive a purchase of care subsidy from a local department of social services for provision of “informal child care” to get a criminal history records check, unless the provider is related to the child.

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**Fiscal Summary**

**State Effect:** General fund expenditures increase by \$32,400 in FY 1999, exclusive of potential indeterminate increase in computer programming costs and potential Purchase of Care costs. Future year expenditures increase with annualization. Revenues would not be affected.

(in dollars)	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
GF Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditures	32,400	43,200	43,200	43,200	43,200
Net Effect	(\$32,400)	(\$43,200)	(\$43,200)	(\$43,200)	(\$43,200)

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

**Local Effect:** None.

**Small Business Effect:** Minimal.

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**Fiscal Analysis**

**State Effect:** The bill adds informal child care providers to those who are mandated to apply for State and national criminal history record checks through the Criminal Justice Information System (CJIS) Central Repository. Informal child care includes care provided by a relative, care provided in the child’s home, or care provided less than 20 hours a month. There are 800 informal providers at any given time. Since informal providers care for

children for an average of four months, it is estimated that there are 2,400 informal child care providers on an annual basis.

### *Criminal History Records Check*

The Department of Human Resources (DHR) general fund expenditures would increase by \$32,400 in fiscal 1999, which accounts for the bill's October 1, 1998 effective date. The estimate reflects the cost of contractual staff in the Department of Public Safety and Correctional Services (Data Services Division) to process an additional 2,400 criminal history record checks. This cost will be borne by DHR, since policy established by the Administrative, Executive, and Legislative Review (AELR) Committee when the \$18 processing fee was established was that child care providers should be exempt from the fee and that the State should bear the cost.

### *Computer Programming*

The Department of Human Resources advises that computer programming expenditures could increase by an estimated \$15,000 to modify the computer programs as proposed in this legislation. The Department of Legislative Services (DLS) advises that if other legislation is passed requiring computer reprogramming changes, economies of scale could be realized. This would reduce computer programming costs associated with this bill and other legislation affecting the Child Care Automated Management Information System (CCAMIS). Further, DLS advises that the increased computer expenditure is simply an estimate and DHR may be able to handle the changes with either less money than it estimates or existing resources. Moreover, CCAMIS expenditures are eligible for federal fund reimbursement from federal child care block grant funds.

### *Staff Costs*

DHR further advises that general fund expenditures could increase by an estimated \$20,247 in fiscal 1999, which accounts for the bill's October 1, 1998 effective date. This estimate reflects the cost of two new part-time employees (Income Eligibility Worker and Income Maintenance Supervisor) to perform data entry of information pertaining to the criminal history record checks and contact with providers concerning the results of record checks. The estimate includes salaries and fringe benefits. The information and assumptions used in calculating the estimate are stated below:

- 2,400 informal child care providers;
- 20 minutes of record check data entry for each provider;

- 18.5 minutes of supervisory time to review record check data entry for each provider;
- Three hours of supervisory time to make a decision on how to handle each of the 5% of providers (120) who are assumed will have a criminal record; and
- 10 minutes of supervisory time for data entry of results of criminal record check for the 95% of providers (2,280) who will not have a criminal record at either the state or national level.

DLS advises that if data entry and supervision were required for 2,400 providers in one batch at one time, additional positions might be required. But it is more likely that the record check results will arrive from CJIS and the FBI in small batches, and could be handled accordingly with existing staff resources. DLS further advises that the only significant new task for DHR appears to be contact with the 5% of providers whose record checks will register a criminal record; this task represents an additional 360 hours and could be handled with existing staff resources. Criminal history record checks are already required for child care centers and family day care homes.

*Indirect Effect on Purchase of Care*

The bill could result in an indeterminate increase in Purchase of Care (POC) expenditures, to the extent that the additional time and cost of obtaining a criminal history records check discourages informal child care providers from providing care. Average monthly POC costs for regulated child care (family day care and child care centers) are significantly higher than for informal care. POC expenditures are 34% general funds and 66% federal funds.

**Small Business Effect:** Informal child care providers would be required to pay for the cost of a criminal history record check, less the State processing fee. The total maximum cost of a criminal history record check and fingerprinting is \$34, excluding the State fee.

**Information Source(s):** Department of Human Resources, Department of Public Safety and Correctional Services (Data Services Division), Department of State Police, Department of Legislative Services

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