

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Legislative Fiscal Note

Thanks

BILL NUMBER: House Bill 117 (First Edition)

SHORT TITLE: Protect Students in Schools.

SPONSOR(S): Representatives Warren, Faircloth, and Horn

FISCAL IMPACT					
(\$ in millions)					
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> No Estimate Available					
	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
State Impact					
General Fund Revenues:					
General Fund Expenditures:	355,000	140,000	140,000	140,000	140,000
State Positions:	2.0	2.0	2.0	2.0	2.0
NET STATE IMPACT	(\$355,000)	(\$140,000)	(\$140,000)	(\$140,000)	(\$140,000)
Local Impact					
Revenues:					
Expenditures:					
NET LOCAL IMPACT	No Estimate Available. Please see Assumptions and Methodology section for more information.				
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:					
The State Board of Education, the Department of Public Instruction, Local Boards of Education, the Department of Public Safety.					
EFFECTIVE DATE: Section 1 and 3 are effective October 1, 2017. Section 2 is effective January 1, 2018.					
TECHNICAL CONSIDERATIONS:					
None					

BILL SUMMARY:

Currently, the State Board of Education (SBE) does not have authority to require applicants for licensure to be checked for a criminal history. Per G.S. 115C-332, local school boards and regional school boards of directors are required to adopt a policy on whether and under what circumstances an applicant for a school personnel position is to be checked for a criminal history. Charter school boards of directors must adopt the policy of the local school administrative unit in which the charter school is located. Applicants do not have to pay for a criminal history check if required under local school board policy. The proposed bill would require background checks for all North Carolina teachers seeking licensure, as well as require background checks for members of a Nonprofit board of directors seeking initial approval for a charter school, and applicants for school personnel positions within an LEA, charter school, or regional school.

Section 1 of the bill would amend G.S 115C-296 to direct the SBE to require all applicants for teacher licensure in the State, as well as members of a board of directors of a nonprofit seeking initial approval to establish a charter school under Article 14A of GS Chapter 115C, to be checked for a criminal history against the State and National Repositories of Criminal Histories. Applicants for licensure include individuals seeking initial license applications, renewal applications, and applications for licensure reinstatement. The bill directs the SBE to require the applicant for licensure to pay for the criminal history check, but allows a local board to pay for the check on behalf of the applicant.

Section 1 additionally requires the Department of Public Safety (DPS) to provide to the SBE the criminal history of any application for licensure or board member seeking initial approval for a charter school. The SBE must provide DPS the fingerprints of the applicant or member, a form signed by the applicant or member consenting to a criminal record check and use of fingerprints and other identifying information required by the repositories, and any additional information required by DPS. DPS may charge the SBE a fee to offset the cost incurred by it to conduct a criminal record check, but prohibits the fee from exceeding the actual cost of locating, editing, researching, and retrieving the information.

Section 1.(d) encourages the SBE to work toward programming of the licensure system to align with the Multistate Educator Lookup System established by the National Association of State Directors of Teacher Education and Certification to enable electronic validation of out-of-state credentials and related information.

Section 1 of this bill applies to applications received on or after October 1, 2017.

Section 2 would mandate local boards of education, regional school boards of directors, and charter school boards of directors, to require applicants for school personnel positions to be checked for a criminal history by using either DPS to check the State and National Repositories of Criminal History or a consumer reporting agency who must search local, state, and federal criminal repositories. Boards would be authorized to charge applicants for the cost of providing the service. Local boards of education, regional school boards of directors, and charter school boards of directors would be authorized to request a full criminal history check from the State Board of Education for applicants who are licensed. Boards would be permitted to conduct periodic criminal history checks of employees, but would not be permitted to require employees to pay for those checks.

Section 2 applies to applications for employment that are received on or after January 1, 2018.

Section 3 would require members of boards of directors of nonprofits seeking an initial charter to be checked for a criminal history against the State and National Repositories of Criminal Histories. The bill would authorize the DPS to provide State and National criminal histories to the State Board of Education and board of directors of charter schools. The SBE must require members to pay for the criminal history check, but the bill allows the nonprofit to pay for the check on behalf of the member.

Applies to applications for initial charters received on or after October 1, 2017.

ASSUMPTIONS AND METHODOLOGY:

The proposed bill does not specify a fee for individuals subject to criminal background history checks. As noted in Section 1.(c) of the bill, “The Department of Public Safety may charge a fee to offset the cost incurred by it to conduct a criminal record check under the section. The fee shall not exceed the actual cost of locating, editing, and retrieving the information.” According to the State Bureau of Investigation, this fee would total approximately \$35.

Looking at licensure information provided by the NC Department of Public Instruction (DPI) in 2015-16, there were 43,000 applications for teacher licensure. Of these 43,000 applications, 12,000 were for initial teacher licenses. The other 31,000 applications were for application renewals. License renewals have a 5-year life cycle.

Using the estimated cost of the checks (\$35) and the current licensure data, the approximate cost to provide the checks to licensed teachers would be \$1,505,000. However, as the bill notes, this cost would be borne by the licensee, unless a local school district or charter school board of directors paid the fee for the applicant. As such, no State or local fiscal impact is necessarily required by having applicants for licensure receive background checks.

Comparable data is not available for non-licensed applicants for school personnel positions who must also be checked for a criminal history in the State and National Repositories of Criminal History. Since, as the bill notes, the LEA, regional school, or charter school may require the applicant to pay for the criminal history check, no local fiscal impact is necessarily required by this bill.

DPI estimates a one-time cost of \$250,000 to reprogram its licensure system. These funds would be used to re-architect portions of the system in order to add criminal background checks to the workflow and to provide space sufficient to store any additional artifacts necessary to carry out the background check process. DPI also estimates that an additional attorney and paralegal position will be needed to address the extensive volume of criminal checks that would now be required to be done at the State level. The Department estimates the cost of these two additional recurring positions to be approximately \$140,000 (note: the cost of each of these two positions has been prorated to nine months (\$105,000) instead of year long positions for FY 2017-18 since section 1 of the bill is effective October 1, 2017).

SOURCES OF DATA: NC Department of Public Instruction, NC State Bureau of Investigation

TECHNICAL CONSIDERATIONS: None.

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