



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: **HB0790.01: Provide for disclosure of criminal records between DOR and DOJ and fingerprinting of certain employees**

Primary Sponsor: Bill Mercer Status: As Introduced

☐ Included in the Executive Budget ☒ Needs to be included in HB 2 ☐ Significant Local Gov Impact
☐ Significant Long-Term Impacts ☐ Technical Concerns ☐ Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
Expenditures				
General Fund (01)	\$17,600	\$0	\$0	\$17,600
State Special Revenue (02)	\$62,307	\$0	\$0	\$0
Revenues				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$17,600	\$0	\$0	\$17,600
Net Impact	<u>(\$17,600)</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$17,600)</u>
General Fund Balance				

Description of fiscal impact

HB 790 requires employees with access to federal tax information to submit a set of fingerprints as part of their employment for criminal background check purposes. It would allow the Department of Revenue to comply to Publication 1075 of the Internal Revenue Service. Compliance with Pub. 1075 is required to maintain access to federal taxpayer information from the Internal Revenue Service. The department would be responsible for paying for fingerprint fees through the Department of Justice every three years.

FISCAL ANALYSIS

Assumptions

Department of Revenue

1. The Department of Revenue estimates about 176 employees that have access to federal taxpayer information, with the cost per background check at approximately \$100 per employee.
2. HB 790 is estimated to cost to the Department of Revenue of \$17,600 every three years.

Department of Justice

3. HB 790 proposes to add language that the Department of Revenue may request information from the Department of Justice, for the purpose of obtaining criminal history record information regarding the department's employees for compliance with federal requirements for access to federal taxpayer information.
4. The Department of Revenue has approximately 650 staff, with 176 having access to federal taxpayer

Fiscal Note Request - As Introduced*(continued)*

information per the department. Current Division of Criminal Investigation (DCI) staff may not be able to absorb the influx.

5. DCI assumes that an additional \$62,307 would be needed in FY 2026 to cover increased workload and operating expenses to complete these background checks. DCI assumes that after the initial influx of background checks required in FY 2026, the number of background checks would return to a more manageable level. The cost is based on the cost of 1.00 FTE but maybe contracted services or a modified FTE.
6. DCI assumes for each background check \$100 will be billed to the Department of Revenue. The amount noted to be received from DOR in FY 2026 and FY 2029 is estimated to be \$17,600 each year.

Fiscal Analysis Table

Department of Justice				
	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>
<u>Fiscal Impact</u>				
<u>Expenditures</u>				
Operating Expenses	\$62,307	\$0	\$0	\$0
TOTAL Expenditures	\$62,307	\$0	\$0	\$0
<u>Funding of Expenditures</u>				
State Special Revenue (02)	\$62,307	\$0	\$0	\$0
TOTAL Funding of Expenditures	\$62,307	\$0	\$0	\$0
<u>Revenues</u>				
State Special Revenue (02)	\$17,600	\$0	\$0	\$17,600
TOTAL Revenues	\$17,600	\$0	\$0	\$17,600
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
State Special Revenue (02)	(\$44,707)	\$0	\$0	\$17,600
Department of Revenue				
	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>
<u>Fiscal Impact</u>				
<u>Expenditures</u>				
Personal Services	\$17,600	\$0	\$0	\$17,600
TOTAL Expenditures	\$17,600	\$0	\$0	\$17,600
<u>Funding of Expenditures</u>				
General Fund (01)	\$17,600	\$0	\$0	\$17,600
TOTAL Funding of Expenditures	\$17,600	\$0	\$0	\$17,600
<u>Revenues</u>				
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
General Fund (01)	(\$17,600)	\$0	\$0	(\$17,600)

STATEWIDE SUMMARY

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<u>Fiscal Impact</u>				
TOTAL Fiscal Impact	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<u>Expenditures</u>				
Personal Services	\$17,600	\$0	\$0	\$17,600
Operating Expenses	\$62,307	\$0	\$0	\$0
TOTAL Expenditures	<u>\$79,907</u>	<u>\$0</u>	<u>\$0</u>	<u>\$17,600</u>
<u>Funding of Expenditures</u>				
General Fund (01)	\$17,600	\$0	\$0	\$17,600
State Special Revenue (02)	\$62,307	\$0	\$0	\$0
TOTAL Funding of Expenditures	<u>\$79,907</u>	<u>\$0</u>	<u>\$0</u>	<u>\$17,600</u>
<u>Revenues</u>				
State Special Revenue (02)	\$17,600	\$0	\$0	\$17,600
TOTAL Revenues	<u>\$17,600</u>	<u>\$0</u>	<u>\$0</u>	<u>\$17,600</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
General Fund (01)	(\$17,600)	\$0	\$0	(\$17,600)
State Special Revenue (02)	(\$44,707)	\$0	\$0	\$17,600



Sponsor's Initials

3/3/25



Date

Budget Director's Initials

3/3/2025

Date