

GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2007

Legislative Fiscal Note

BILL NUMBER: House Bill 1829 (First Edition)

SHORT TITLE: Manufact. Housing Bd/Alt. Methods/Crim Checks.

SPONSOR(S): Representative Harrison

<b>FISCAL IMPACT</b>					
	<b>Yes ( )</b>	<b>No (X)</b>	<b>No Estimate Available ( )</b>		
	<b><u>FY 2007-08</u></b>	<b><u>FY 2008-09</u></b>	<b><u>FY 2009-10</u></b>	<b><u>FY 2010-11</u></b>	<b><u>FY 2011-12</u></b>
<b>REVENUES:</b>					
NC Manufactured Housing Board					
Department of Justice					
	<b>No net change assumed for either the Housing Board or the Department of Justice. See Assumptions and Methodology, p. 2.</b>				
<b>EXPENDITURES:</b>					
NC Manufactured Housing Board					
Department of Justice					
	<b>No additional costs anticipated.</b>				
<b>POSITIONS (cumulative):</b>					
					<b>None.</b>
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b>	<b>N.C. Manufactured Housing Board; Department of Justice.</b>				
<b>EFFECTIVE DATE:</b>	<b>Effective when it becomes law.</b>				

**BILL SUMMARY:** Those applying to the North Carolina Manufactured Housing Board for licensure as a manufactured home manufacturer, dealer, salesperson, or set-up contractor must consent to a criminal history record check. The Board ensures that the applicant's State and national criminal histories are checked, and provides the N.C. Department of Justice with the applicant's fingerprints, a consent form signed by the applicant, and any additional information required (a fingerprint card is submitted with the application). The Board charges a fee of \$55 to cover the cost of the criminal record check, \$38 of which is remitted to the Department of Justice (see Assumptions and Methodology).

H.B. 1829 amends G.S. 143-143.10A(b) to specify that applicants obtain criminal record reports from reporting services designated by the Board. The applicant is required to pay the designated service for the cost of the report, which is submitted with the application for licensure. However, the bill also provides that the Board may alternatively provide an applicant's fingerprints, signed consent form, and other required information to the North Carolina Department of Justice to perform a criminal record check.

*Source: Adapted from Bill Summary (H1829e1-SMLA) and Bill Digest H.B. 1829 (04/18/0200)*

**ASSUMPTIONS AND METHODOLOGY:** Presently, the Board charges a fee of \$55 to cover the cost of a criminal record check - \$38 is remitted to the Department of Justice (SBI) and the remaining \$17 is retained by the Board to cover associated costs. The State Bureau of Investigation (SBI) incurs the following costs for background checks conducted for non-criminal justice agencies:

NC Fingerprint Check:	\$14
<u>National Fingerprint Check:</u>	<u>\$24</u> (\$2 to DOJ, \$22 remitted to the FBI)
Total:	\$38

Costs to the SBI per state and national check average \$19.46, not including overhead or equipment (\$16 retained for administrative costs).<sup>1</sup>

In FY 2006-07, 398 new licenses were issued by the Board (a decrease of approx. 13% from FY06 and 35% from FY07). It is not known exactly how many record checks will be obtained from designated reporting services, in lieu of checks conducted by the Department of Justice. However, because fee proceeds largely offset the costs incurred by both the Department of Justice and the Manufactured Housing Board for record checks, no net change in revenues or expenditures is expected. Any decrease in the number of record checks (workload) will be accompanied by a decrease in fee proceeds.

**SOURCES OF DATA:** N.C. Manufactured Housing Board; Department of Justice.

**TECHNICAL CONSIDERATIONS:** Criminal histories received from SBI/FBI are confidential documents, which are reviewed by the Board and then separated from applications and locked in a secure location. However, it is unclear whether histories obtained from reporting services and submitted with applications are also confidential.

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Fiscal Research Division

**DATE:** June 11, 2007



**Signed Copy Located in the NCGA Principal Clerk's Offices**

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<sup>1</sup> "Study of the Cost of Providing Criminal Records Checks." Office of State Budget and Management. March 2006.