

Department of Planning and Budget

2016 Fiscal Impact Statement

1. Bill Number: HB896

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Greason

3. Committee: Health, Welfare and Institutions

4. Title: Background checks; certain private school employees.

5. Summary: Background checks; certain private school employees. Provides that private school employees who are employed by licensed child day centers, child day centers exempt from licensure, or unlicensed child day centers that enter into contracts with the Department of Social Services or local departments of social services for the provision of child care services to clients of the Department or local departments who have complied with background check requirements set forth in § 22.1-296.3 of the Code of Virginia requiring national fingerprint-based background checks shall not be required to undergo additional background checks.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Preliminary; see Item 8.

8. Fiscal Implications: The Department of Social Services is responsible for running fingerprint-based background checks on applicants, employees, and volunteers at licensed child day centers and licensed family day homes, effective Jul 1, 2017. Background checks are funded by fee revenue. The Department has no way of knowing how many individuals would be exempted from DSS background checks as a result of this legislation

The Department of Social Services maintains that this legislation is out of compliance with the federal Child Care and Development Block Grant (CCDBG) Act of 2014 because the bill does not provide for additional background checks every five years for the individuals receiving background checks under § 22.1-296.3. Under the CCDBG Act of 2014, state must meet federal background check requirements by September 30, 2017. If this bill is found to be out of compliance with the CCDBG Act upon further review by the federal agency administering the grant funding, the penalty will be equal to five percent of Virginia's Child Care and Development Fund (CCDF) discretionary fund grant award, which equaled \$2.3 million in FY 2015.

9. Specific Agency or Political Subdivisions Affected: Department of Social Services

10. Technical Amendment Necessary: No

11. Other Comments: