

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 7076

BILL NUMBER: HB 1357

NOTE PREPARED: Feb 12, 2026

BILL AMENDED: Feb 12, 2026

SUBJECT: Child Services Provider Background Checks.

FIRST AUTHOR: Rep. Rowray

FIRST SPONSOR: Sen. Walker G

BILL STATUS: 2nd Reading - 2nd House

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: The bill requires an employee of: (1) a preventative provider that operates a child welfare program; (2) a provider of home based family preservation services; (3) a child caring institution; (4) a group home; or (5) a child placing agency; to undergo a background check once every four years.

The bill also provides that the Department of Child Services (DCS) may not require an employee to take a separate federally required background check within four years of the employee's most recent federally required background check to provide additional child welfare services.

Effective Date: July 1, 2026.

Explanation of State Expenditures: The bill would increase DCS workload to ensure that child welfare providers are performing criminal background checks of employees every four years after employment begins. Increases in workload are within the routine administrative function of the agency and would be accomplished during periodic reviews of child welfare providers.

The bill could also increase the workload of the Indiana State Police to process additional criminal history background check applications. Increases in workload would be offset with the state portion background check application fees.

Additional Information - DCS policy requires a national criminal history background check for all agency employees as well as anyone who resides or has direct contact with a child under the supervision of the Department. There is no policy concerning running periodic background checks for child welfare provider employees after hiring.

The bill would require criminal background checks for child welfare provider employees every four years after employment begins. The bill is silent as to who bears responsibility for the background check costs, but it is assumed the child welfare provider will finance the requests.

An information request with the DCS concerning how many child welfare provider employees could be

impacted by the bill. These individuals would be subject to the \$38.20 fee that is collected for a national criminal history background check, which includes the federal fee (\$11.25), the state fee (\$15), and fingerprint fee (\$11.95).

Explanation of State Revenues: Requiring criminal history background checks for existing child welfare provider employees could increase state revenue received from criminal history background checks fees. Any increase would depend on child welfare provider staff turnover as well as provider policies concerning criminal history background checks on employees.

It is not known how many child welfare providers currently require their employees to undergo additional criminal history background checks as a condition of continued employment. Based on data provided by the DCS, an estimated 3,500 child welfare providers could be required to undergo additional criminal history background checks upon the effective date of the legislation.

The bill could generate approximately \$53,000 in revenue for the General Fund from the \$15 state fee. Revenue received in future years would ultimately depend on how many child welfare providers remain active past four years of employment, but is estimated to be between \$12,000 to \$15,000 per year thereafter. [Approximately 56% of the employees in the data provided by the DCS were not listed as “active” at the end of the reporting period.]

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DCS.

Local Agencies Affected:

Information Sources: Madeleine O’Rourke, DCS;
<https://www.in.gov/dcs/providers-and-partners/background-checks/>
<https://www.in.gov/dcs/files/HR-2-2-Background-Checks.pdf>
<https://www.in.gov/isp/criminal-history-services/get-more-information/fees/>

Fiscal Analyst: Bill Brumbach, 317-232-9559.