



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: H. 4438 Introduced on January 9, 2018
Author: Henderson
Subject: DHEC, Hearing Aid Specialists Licensure
Requestor: House Medical, Military, Public, and Municipal Affairs
RFA Analyst(s): A. Martin
Impact Date: January 25, 2018

Estimate of Fiscal Impact

	FY 2018-19	FY 2019-20
State Expenditure		
General Fund	See Below	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Local Expenditure	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

This bill reduces General Fund expenditures up to \$3,325 in FY 2018-19 by reducing the subsidies provided by the Department of Health and Environmental Control (DHEC) for hearing aid specialist examination fees. This bill will have no impact to Federal Funds or Other Funds.

Explanation of Fiscal Impact

Introduced on January 9, 2018

State Expenditure

This bill codifies the current practices for the preparation and administration of examinations for licensure of hearing aid specialists. DHEC currently uses examinations prepared by national hearing associations instead of the State Commission for Hearing Aid Specialists. The department currently has the authority to appoint members of the commission and others to administer examinations. The bill clarifies that DHEC may facilitate the administration of examinations by third parties. This section will have no expenditure impact on the General Fund, Federal Funds, or Other Funds.

The bill transfers the responsibilities related to continuing education from the commission to the department. These responsibilities include approving continuing education programs and verifying proof of continuing education requirements for licensees. The department will manage these duties within existing appropriations. This section will have no expenditure impact on the General Fund, Federal Funds, or Other Funds.

State Revenue

This bill gives DHEC flexibility regarding the collection of examination fees for licensure of hearing aid specialists. DHEC currently uses the written examination prepared by the International Hearing Society (IHS) for licensure requirements. The cost for each written examination is \$225. DHEC collects a fee of \$50 from the applicant and submits the fee in its entirety to IHS. The department subsidizes the remaining \$175 for each examination. Licensure also requires the successful completion of a practical examination. Practical examinations are currently administered by a third party and the fee collected by DHEC is submitted in its entirety to the third party administrator. This bill gives DHEC the option of directly administering the examination or facilitating the administration of the examination by a third party. If DHEC directly administers the examination, it may charge a fee to defray associated costs. If DHEC facilitates the examination, the applicant will pay all testing fees directly to the third party. This bill could have the effect of shifting the total cost of testing to the applicant, in which case the department would experience a savings of \$175 per examination administered. Over the last seven years, DHEC has averaged nineteen written examinations per year. Based on this average, the department could save up to \$3,325 in General Funds in FY 2018-19 and each year thereafter.

The bill grants DHEC the ability to impose monetary penalties for violations. DHEC currently has the authority to suspend and revoke licenses. Based on the history of licensure compliance, the department anticipates no impact to the General Fund. This bill will have no impact to Federal Funds or Other Funds.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director