



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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**Bill Number:** S. 0165     Introduced on January 10, 2023  
**Author:** Climer  
**Subject:** Board Regulation of Professions and Occupations  
**Requestor:** Senate Labor, Commerce, and Industry  
**RFA Analyst(s):** Wren  
**Impact Date:** January 30, 2023

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### **Fiscal Impact Summary**

This bill prohibits regulatory boards and commissions that are under the administration of the Department of Labor, Licensing and Regulation (LLR) from denying a license to an applicant due to a prior criminal conviction, unless the criminal conviction directly relates to the duties and responsibilities of the occupation or profession for which the applicant is seeking a license. Additionally, this bill requires a board to issue a license to an applicant if the applicant completes an apprenticeship in an occupation or profession that has a similar scope of practice, among other requirements.

Sections 1 and 2 of this bill will have an undetermined expenditure impact on LLR. The agency indicates that it may be able to manage the additional responsibilities or may need to hire additional staff in the future. Expenses will depend on the number of applicants, which is unknown at this time.

Section 2 of the bill defines a board as a government board, agency, department, or other governmental entity that regulates a profession or occupation and issues a license to an individual. The expenditure impact of this section of the bill on the Department of Health and Environmental Control (DHEC) due to any professions or occupations that the agency may regulate is pending, contingent upon a response from the agency.

Pursuant to Proviso 81.3 of the FY 2022-23 Appropriations Act, LLR is required to remit annually to the General Fund an amount equal to 10 percent of expenditures of boards that fall under the Division of Professional and Occupational Licensing unless the board has an overall negative ending cash balance for the current and prior completed fiscal years. Since expenditures of the Professional and Occupational Licensing Boards are undetermined, the revenue impact on the General Fund is also undetermined.

## Explanation of Fiscal Impact

**Introduced on January 10, 2023**

### **State Expenditure**

#### **Section 1**

This section of the bill prohibits regulatory boards and commissions that are under the administration of LLR from denying a license to an applicant due to a prior criminal conviction, unless the criminal conviction directly relates to the duties and responsibilities of the occupation or profession for which the applicant is seeking a license. Also, a regulatory board or commission must not deny a license without giving the applicant an opportunity to appear at a hearing to determine the applicant's fitness for the occupation or profession. This section specifies certain factors that a board or commission must consider prior to denying a license to an applicant. Additionally, this section requires a regulatory board or commission to notify an applicant in writing if their license application is denied due to a prior conviction.

#### **Section 2**

This section defines "board" as a government board, agency, department, or other governmental entity that regulates a profession or occupation and issues a license to an individual. This definition excludes boards and commissions related to pilots and pilotage. This section also requires a board to issue an applicant a license under the following conditions:

- if the applicant completes an apprenticeship in an occupation or profession that has a similar scope of practice, as determined by the board, to an occupation or profession regulated by South Carolina through license requirements;
- successfully passes requisite examinations; and
- pays all applicable fees.

A license issued pursuant to this section of the bill is subject to the same provisions of law governing a license for the occupation or profession. A board must promulgate the regulations necessary for the implementation of this section of the bill.

**Department of Labor, Licensing and Regulation.** This bill will have an undetermined expenditure impact on LLR. The agency indicates that it may be able to manage the additional responsibilities or may need to hire additional staff in the future. Expenses will depend on the number of applicants, which is unknown at this time.

**Department of Health and Environmental Control.** The expenditure impact of Section 2 of the bill on DHEC due to any professions or occupations that the agency may regulate is pending, contingent upon a response from the agency.

### **State Revenue**

Pursuant to Proviso 81.3 of the FY 2022-23 Appropriations Act, LLR is required to remit annually to the General Fund an amount equal to 10 percent of expenditures of boards that fall under the Division of Professional and Occupational Licensing unless the board has an overall negative ending cash balance for the current and prior completed fiscal years. Since expenditures of the Professional and Occupational Licensing Boards are undetermined, the

revenue impact on the General Fund is also undetermined.

**Local Expenditure**

N/A

**Local Revenue**

N/A



Frank A. Rainwater, Executive Director