



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

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: February 7, 2023 - Updated for Additional Agency Response

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. This section will have no expenditure impact on the Department of Health and Environmental Control (DHEC) since it does not operationally or fiscally impact 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.

This impact statement has been updated to include a response from DHEC.

Explanation of Fiscal Impact

Updated for Additional Agency Response on February 7, 2023

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. DHEC indicates that this bill, specifically Section 2, will have no expenditure impact since it does not operationally or fiscally impact the agency. *This section of the impact statement has been updated to include a response from DHEC.*

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

Introduced on January 10, 2023

State Expenditure

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Section 2

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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

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Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director