



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number:	S. 0760	Introduced on January 9, 2018
Author:	Shealy	
Subject:	Amendment to SC Code of Laws of 1976; Title 63	
Requestor:	Senate General	
RFA Analyst(s):	A. Martin, Gardner, and Kokolis	
Impact Date:	March 13, 2018 - Updated for Additional Agency Response	

Estimate of Fiscal Impact

	FY 2018-19	FY 2019-20
State Expenditure		
General Fund	\$3,701,597	\$3,406,434
Other and Federal	\$106,003	\$103,252
Full-Time Equivalent Position(s)	36.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	Undetermined	Undetermined
Local Expenditure	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

This bill is expected to increase Federal Fund expenditure by \$106,003 in FY 2018-19 and \$103,252 every year thereafter for 2 new FTEs for the Department of Social Services (DSS) to perform employee screenings against the Central Registry of Child Abuse and Neglect. This bill is expected to increase General Fund expenditure by \$3,701,597 in FY 2018-19 and \$3,406,434 every year thereafter for 34 FTEs and 40 seasonal employees for the Department of Health and Environmental Control (DHEC) to regulate licensure of summer camps.

This bill will increase Other Fund revenue due to fees collected for screenings against the Central Registry of Child Abuse and Neglect. However, because of the unknown organizational status of summer camps subject to licensure, the revenue impact to Other Funds is undetermined.

This bill will increase Other Funds revenue due to fees collected for fingerprint-based background checks. However, because of the unknown organizational status of summer camps subject to licensure, the revenue impact to Other Funds is undetermined. This bill will increase Other Funds expenditures due to the additional administrative work required to accommodate the increase in the number of background checks requested. State Law Enforcement Division (SLED) anticipates that any additional revenue generated from an increase in the number of background checks requested will be offset by the additional administrative work that will be required of staff. This fiscal impact statement has been updated based on a response from SLED.

Explanation of Fiscal Impact

Updated for Additional Agency Response

Introduced on January 9, 2018

State Expenditure

This bill requires all summer camps to obtain a license from DHEC. This bill further requires applicants and their employees and caregivers to undergo fingerprint-based background checks by SLED and the Federal Bureau of Investigation (FBI), and be screened against the Central Registry of Child Abuse and Neglect. Summer camps, as defined by this bill, will include both summer day camps for children and summer resident camps for children. Under current law, summer day camps where children are permitted to enroll for no more than three consecutive weeks and summer resident camps are excluded from licensure and background screening requirements.

This bill also expands the definition of summer camps for children. Under current law, summer day camps for children are defined as programs offered during the summer that provide recreational activities primarily during daytime hours and may include an occasional overnight activity under the supervision of the operator. This bill expands this definition to include programs lasting four or more consecutive days, operating primarily between seven o'clock in the morning and ten o'clock at night, and offering recreational, athletic, religious, or educational activities. Under current law, summer resident camps for children are defined as twenty-four hour residential programs offered during the summer that provide recreational activities for children. This bill expands this definition to include programs lasting more than seventy-two consecutive hours, providing recreational, athletic, religious, or education activities, and providing for five or more children under the age of eighteen and not accompanied by their parents, adult relatives, or legal guardians.

Department of Health and Environmental Control. This bill requires summer camps to obtain a license from DHEC. Before issuing the license, DHEC must investigate the applicant, the proposed plan of care for children, and the proposed plan for operating the camp. DHEC must establish a procedure for receiving and recording complaints against summer camps and provide an administrative process for hearings. DHEC will also establish a renewal process for licensure. Because summer camps do not currently register with any entity, the number of summer camps in the state is unknown. DHEC based its fiscal impact on an estimate of 3,000 summer camps subject to licensure in the state. The agency anticipates that it will need to hire 34 FTEs at a total of \$2,335,695 to meet these requirements. The department anticipates the following FTEs will be needed to implement this bill:

- Program Manager I to direct the licensure program and staff, oversee promulgation of regulations, and report to the Department's Bureau Chief for Health Facilities Licensing, with salary and fringe of \$97,698.
- Program Coordinator II to manage each of the four health regions throughout the state for a total of 4 FTEs, with total salary and fringe of \$320,527.
- Program Coordinator II to handle deficiencies, actions on licenses, and serve as the liaison between the licensure program and the Attorney, with salary and fringe of \$80,132.

- Four Inspector IIIs in each health region to conduct inspections throughout the year, for a total of 16 FTEs, with total salary and fringe of \$1,055,785.
- Two Administrative Coordinator Is to facilitate the staffing of the licensure program, with total salary and fringe of \$131,590.
- Program Coordinator I to serve as the training and development director for the program, with salary and fringe of \$66,714.
- Four Administrative Specialist IIs to process licensure applications and ensure verification of required background checks, with total salary and fringe of \$178,303.
- Four Investigator IIIs to conduct fire and life safety inspections, with total salary and fringe of \$263,946.
- Attorney to handle legal matters involving the program, with salary and fringe of \$141,000.

Because of the seasonal nature of the licensure program, DHEC anticipates it will need 40 additional Inspector IIIs working thirty-seven and one-half hours each week for thirteen weeks during the summer months for a total of 19,520 hours. At an hourly rate of \$26.64 to include salary and fringe, DHEC expects the expenditure to be \$520,013 for seasonal employees.

The agency anticipates \$550,726 in recurring operating expenses to cover the costs of phones, cellular service, travel, office space, supplies, agency administrative overhead, and database maintenance. The agency anticipates \$295,163 in non-recurring costs to cover equipment and office furniture. In summary, this bill will increase General Fund expenditures by \$3,701,597 in FY 2018-19 and \$3,406,434 each year thereafter. This bill will not impact Federal Funds or Other Funds.

Department of Labor, Licensing and Regulations. This bill will require DHEC to consult with the Office of the State Fire Marshal concerning health and fire safety inspections and regulations. The Department of Labor, Licensing and Regulations (LLR) indicates the Office of the State Fire Marshal employs staff who act in this capacity; therefore, these requirements will have no fiscal impact on the General Fund, Federal Funds, or Other Funds.

Department of Social Services. This bill requires DSS to screen summer camp employees against the Central Registry of Child Abuse and Neglect at the time of employment and at each license renewal. The agency will need to hire 2 FTEs for \$103,252 to perform these checks. There would also be a one-time purchase of \$2,751 for office supplies for the new FTEs. Federal Funds in the Child Care Development Block Grant will be used to offset these costs. Since these programs do not currently register with any entity, the number of summer camps in the state is unknown. DSS provides their information based on an estimate of 3,000 programs subject to licensure. This bill will increase Federal Fund expenditures by \$106,003 in FY 2018-19 and \$103,252 every year thereafter. This bill will not impact the General Fund or Other Funds.

Attorney General. This bill requires DHEC to consult with the Office of the Attorney General for the purposes of promulgating regulations for the operation and maintenance of summer camps. This bill does not materially alter the oversight or regulatory activities of the Office of the Attorney General. Therefore, this bill will have no impact on the General Fund, Federal Funds, or Other Funds.

State Law Enforcement Division. This bill requires applicants and their employees and caregivers to undergo fingerprint-based background checks by SLED and the FBI at the time of employment and initial licensure. Any additional background checks will cause an increase in Other Funds expenditures due to the additional administrative requirements. SLED anticipates that the increase in Other Funds expenditures will be offset by the increase in Other Funds revenue generated from these background checks. This bill will have no impact on the General Fund or Federal Funds. This fiscal impact statement has been updated based on a response from SLED.

Administrative Law Court. The Administrative Law Court (ALC) currently conducts contested cases from multiple permitting processes through DHEC. Therefore, this bill will have no impact on the General Fund, Federal Funds, or Other Funds.

State Revenue

Department of Health and Environmental Control. This bill requires summer camps to obtain a license from DHEC. However, the bill does not authorize the department to charge or collect fees for licensure. Therefore, this bill will have no revenue impact on the General Fund, Federal Funds, or Other Funds.

Department of Social Services. This bill requires DSS to screen summer camp owners, operators, employees, and caregivers against the Central Registry of Child Abuse and Neglect at the time of employment, initial licensure, and at each license renewal. The fee for Central Registry Checks is \$8 for non-profit organizations, state agencies, volunteer organizations, schools, and daycares. For-profit organizations are charged a fee of \$25. Due to the unknown organizational status of these camps, the revenue impact to Other Funds is undetermined.

State Law Enforcement Division. This bill requires applicants and their employees and caregivers to undergo fingerprint-based background checks by SLED and the FBI at the time of employment and initial licensure. Fingerprint-based background checks are not required for license renewal, unless a renewal coincides with the employment of a new operator. SLED has a varying fee schedule for these checks depending on the affiliation of the requestor (e.g., charitable organizations pay \$8.00 per check, while private businesses pay the maximum fee of \$25.00 per check). A portion of the fee collected by SLED is remitted to the FBI for the cost of the background check. As there is no data on the types of entities that may request background checks for summer camps, the amount of revenue that may be generated cannot be determined. SLED anticipates that the increase in Other Funds revenue will be offset by the additional expenditures due to administrative work that will be required of staff. This bill will have no impact on the General Fund or Federal Funds. This fiscal impact statement has been updated based on a response from SLED.

Local Expenditure

N/A

Local Revenue

N/A

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State Law Enforcement Division. This bill requires applicants and their employees and caregivers to undergo fingerprint-based background checks by SLED and the FBI at the time of employment and initial licensure. Based on an estimate of 3,000 camps subject to licensure, we estimate approximately 9,000 new background checks by SLED. A determination of the bill's expenditure impact is pending, as the agency is still reviewing the bill.

Administrative Law Court. The Administrative Law Court (ALC) currently conducts contested cases from multiple permitting processes through DHEC. Therefore, this bill will have no impact on the General Fund, Federal Funds, or Other Funds.

State Revenue

Department of Health and Environmental Control. This bill requires summer camps to obtain a license from DHEC. However, the bill does not authorize the department to charge or collect fees for licensure. Therefore, this bill will have no revenue impact on the General Fund, Federal Funds, or Other Funds.

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State Law Enforcement Division. This bill requires applicants and their employees and caregivers to undergo fingerprint-based background checks by SLED and the FBI at the time of employment and initial licensure. Fingerprint-based background checks are not required for license renewal. The agency charges a fee of \$25 for each fingerprint-based background check. Based on an estimate of 3,000 camps subject to licensure, we estimate approximately 9,000 new background checks by SLED for an increase in Other Fund revenue of \$225,000 for FY 2018-19.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director