~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

March 8, 2018

**H. 4438**

Introduced by Reps. Henderson and W. Newton

S. Printed 3/8/18--H.

Read the first time January 9, 2018.

**THE COMMITTEE ON MEDICAL,**

**MILITARY, PUBLIC AND MUNICIPAL AFFAIRS**

To whom was referred a Bill (H. 4438) to amend Section 40‑25‑30, Code of Laws of South Carolina, 1976, relating to the powers and duties of the department of health and Environmental Control concerning, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

LEON HOWARD for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**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.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND SECTION 40‑25‑30, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE POWERS AND DUTIES OF THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL CONCERNING THE LICENSURE OF HEARING AID SPECIALISTS, SO AS TO ALLOW THE DEPARTMENT TO FACILITATE THIRD‑PARTY ADMINISTRATION OF QUALIFYING EXAMINATIONS OF APPLICANTS FOR LICENSURE, AND TO IMPOSE MONETARY PENALTIES FOR VIOLATIONS OF THE CHAPTER; TO AMEND SECTION 40‑25‑50, RELATING TO THE DUTIES OF THE COMMISSION FOR HEARING AID SPECIALISTS, SO AS TO REMOVE THE PREPARATION OF QUALIFYING EXAMINATIONS BY THE COMMISSION; TO AMEND SECTION 40‑25‑110, RELATING TO APPLICATIONS FOR LICENSURE, SO AS TO ALLOW THE DEPARTMENT TO CHARGE CERTAIN RELATED FEES, AND TO PROVIDE FOR THE USE AND ADMINISTRATION OF THESE FEES; AND TO AMEND SECTION 40‑25‑150, RELATING TO CONTINUING EDUCATION REQUIREMENTS, SO AS IMPOSE RELATED DUTIES ON THE DEPARTMENT INSTEAD OF THE COMMISSION.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 40‑25‑30(2) and (6) of the 1976 Code is amended to read:

“(2) supervise issuance of licenses ‘by experience’ and administer qualifying examinations to test the knowledge and proficiency of applicants licensed by examination or facilitate the administration of these examinations by third parties;

(6) suspend or revoke licenses ~~or~~, require that refunds be made, or impose monetary penalties for violations;”

SECTION 2. Section 40‑25‑50 of the 1976 Code is amended to read:

“Section 40‑25‑50. The commission shall:

(1) advise the department in all matters relating to this chapter;

(2) ~~prepare the examinations required by this chapter for the department;~~

~~(3)~~ assist the department in carrying out this chapter;

(~~4~~3) keep a record of its proceedings and a register of persons licensed under this chapter;

(~~5~~4) make a report each year to the Governor of all its official acts during the preceding year;

(~~6~~5) meet not less than once each year at a place, day, and hour determined by the commission and meet at other times and places requested by the department.”

SECTION 3. Section 40‑25‑110 of the 1976 Code is amended to read:

“(A) An applicant may obtain a license by successfully passing a qualifying examination if he:

(1) is at least twenty‑one years of age;

(2) has an education equivalent to a four‑year course in an accredited high school.

(B) ~~[Reserved]~~ If the department directly administers qualifying examinations for licensure under the provisions of this chapter, the department may charge applicants an examination fee. Fees received must be used to defray costs incident to the administration of this examination. The department must establish this fee by promulgation of a regulation.

(C) If the department facilitates administration of qualifying examinations for licensure through a third party, the applicant shall submit any associated fee charged by the third party directly to the third party.

(~~C~~D) An applicant for license by examination shall appear at a time, place, and before persons the department may designate to be examined by means of written and practical tests in order to demonstrate that he is qualified to engage in the practice of specializing in hearing aids. The examination administered as directed by the department constituting standards for licensing must not be conducted so that college training is required to pass the examination. Nothing in this examination may imply that the applicant possess the degree of medical competence normally expected of physicians. If an applicant fails the practical portion of the examination, he may appeal to the commission.

(~~D~~E) The department shall give examinations at least once a year.”

SECTION 4. Section 40‑25‑150(C), (D), and (E) of the 1976 Code is amended to read:

“(C) The licensee annually shall submit to the ~~commission~~ department proof of having participated in a minimum of eight hours of continuing education during the previous year of licensing. The requirement may be fulfilled by attending and participating in training activities approved by the ~~commission~~ department and those accredited by the International Hearing Society, unless disapproved by the ~~commission~~ department.

(D) A person or organization desiring to conduct continuing education training programs shall submit the programs to the ~~commission~~ department for approval before presentation. The ~~commission~~ department shall develop procedures for submitting these requests and for approving or disapproving them.

(E) Failure to complete the minimum educational requirements results in a license suspension until the requirements are met. The ~~commission~~ department, upon sufficient cause shown by the licensee, may allow the licensee to make up the necessary hours during the next year of licensing. The make‑up allowance does not waive the full annual requirements for continued education.”

SECTION 5. This act takes effect upon approval by the Governor.

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