



# 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.*

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<b>Bill Number:</b>	H. 3599	Introduced on January 12, 2021
<b>Author:</b>	B. Newton	
<b>Subject:</b>	Occupational Therapy Licensure Compact	
<b>Requestor:</b>	House Medical, Military, Public, and Municipal Affairs	
<b>RFA Analyst(s):</b>	Coomer and Gardner	
<b>Impact Date:</b>	January 27, 2021	

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### Fiscal Impact Summary

The fiscal impact of this bill is pending, contingent upon a response from the Department of Labor, Licensing and Regulation (LLR) and the State Law Enforcement Division (SLED).

### Explanation of Fiscal Impact

#### Introduced on January 12, 2021

#### State Expenditure

This bill allows South Carolina to enter into a multistate occupational licensure compact. The compact allows qualified occupational therapists or occupational therapy assistants to practice in all member states by applying for a compact privilege. Under current law, an occupational therapist must apply for licensure with the licensure board of each state in which the individual wishes to practice. The licensure board for South Carolina is the Board of Occupational Therapy (board), which is regulated by LLR.

Additionally, this bill requires applicants to undergo a state criminal history records check in their home state, including fingerprinting, and a national criminal records check. The costs of conducting these checks shall be paid by the applicant.

**Department of Labor, Licensing and Regulation.** The Occupational Therapy Compact Commission (commission) is responsible for the administration of the interstate compact. This commission consists of one delegate from each member state selected by that member state's licensing board. The commission will meet at least once each calendar year, and expenditures related to the travel costs of the delegate will be provided by the member state. Additionally, the commission may collect an annual assessment from each member state to cover its operational costs.

This bill requires the board to review applications for new home state licenses and compact privileges, to determine qualification of the applicant, and to activate new home state licenses in accordance with rules adopted by the commission. If the compact qualifications are not met, a single-state license may be considered by the board. The board must also report to the commission any adverse action imposed against a licensee and comply with adverse action imposed by member states against a home state licensee. Additionally, the board must submit a

data set to the commission's data system containing information on individuals to whom the compact is applicable.

The expenditure impact of this bill on LLR is pending, contingent upon a response from the agency.

**State Law Enforcement Division.** The expenditure impact of this bill on SLED is pending, contingent upon a response from the agency.

### **State Revenue**

**Department of Labor, Licensing and Regulation.** This bill allows LLR to collect a fee from out-of-state occupational therapists or occupational therapy assistants for licenses issued or renewed through this interstate compact. LLR is required, pursuant to Section 40-1-50(D), to adjust fees biennially to ensure that fee revenue is sufficient, but not excessive, to cover expenses of each respective board. Additionally, the board may issue and collect fines as a result of adverse action taken against a licensee. The revenue impact of this bill on the Other Funds of LLR is pending, contingent upon a response from the agency.

The board falls under the Division of Professional and Occupational Licensing. Pursuant to Proviso 81.3 of the FY 2020-21 Appropriations Act, LLR is required to remit annually to the General Fund an amount equal to 10 percent of expenditures. The revenue impact of this bill on the General Fund is pending, contingent upon a response from the agency.

**State Law Enforcement Division.** This bill may increase the number of state criminal records checks that SLED is required to perform. Pursuant to Section 23-3-115(A), revenue generated by state criminal records checks performed by SLED up to an amount of \$4,461,000 must be deposited in the General Fund. Any revenue over that amount is retained by SLED. The revenue impact of this bill on the General Fund and the Other Funds of SLED is pending, contingent upon a response from the agency.

### **Local Expenditure**

N/A

### **Local Revenue**

N/A



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Frank A. Rainwater, Executive Director