

SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT (803)734-3780 • RFA.SC.GOV/IMPACTS

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Bill Number: S. 0241 Amended by Senate Medical Affairs Subcommittee on March

8, 2023

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Subject: Genetic Counselors Requestor: Senate Medical Affairs

RFA Analyst(s): Wren

Impact Date: March 15, 2023

Fiscal Impact Summary

This bill creates the South Carolina Board of Genetic Counselors which will be under the administration of the Department of Labor, Licensing and Regulation (LLR). The board may adopt rules governing its proceedings and may promulgate regulations necessary to carry out the provisions of the bill, including, but not limited to, promulgation of regulations for the practice of genetic counseling and establishing disciplinary procedures. The board must be composed of five members appointed by the Governor. The bill also creates a new misdemeanor offense, punishable by a fine or imprisonment or both.

This bill will increase Other Funds expenses of the Board of Genetic Counselors by \$50,000 beginning in FY 2023-24. This amount includes \$20,000 for miscellaneous services and supplies, board meeting expenses, travel, and rent. Additionally, the board anticipates sharing at least one board administrator and one administrative assistant with other boards. The new board will be responsible for \$30,000, which is a percentage of the salary and fringe for the shared personnel.

This bill will have no expenditure impact on Judicial since the responsibilities of the bill can be managed within the normal course of business.

If the Board of Genetic Counselors falls under the Division of Professional and Occupation Licensing, Proviso 81.3 of the annual Appropriations Act will require LLR to remit annually to the General Fund an amount equal to 10 percent of expenditures unless the board has an overall negative ending cash balance. Since the board's annual expenses are estimated to total \$50,000 annually, this bill may increase General Fund revenue by \$5,000 beginning in FY 2023-24 as long as the board does not have an overall negative ending cash balance.

LLR estimates that approximately 150 genetic counselors will seek licensure in the first year of implementation. Since the initial license fee is \$600, this would increase Other Funds revenue of the board by \$90,000 in FY 2023-24. The Other Funds revenue impact on the board thereafter for license renewal fees is undetermined since the renewal fee has not been established in regulation. Further, any increase in Other Funds revenue of the board due to fines resulting from disciplinary actions is also undetermined as the number of actions that may occur is unknown.

This bill imposes a new fine, which may result in an increase in the fines and fees collected in court. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, the Revenue and Fiscal Affairs Office (RFA) anticipates this bill may result in an undetermined increase to General Fund revenue, Other Funds revenue, and local revenue due to the increase in fines and fees collections in court.

Explanation of Fiscal Impact

Amended by Senate Medical Affairs Subcommittee on March 8, 2023 State Expenditure

This bill creates the South Carolina Board of Genetic Counselors. LLR must provide all administrative, fiscal, investigative, inspectional, clerical, secretarial, and license renewal operations and activities of the board. The board may adopt rules governing its proceedings and may promulgate regulations necessary to carry out the provisions of the bill, including, but not limited to, promulgation of regulations for the practice of genetic counseling and establishing disciplinary procedures. The board must be composed of five members appointed by the Governor, one of whom must be a lay member from the state at-large, and four must be practicing genetic counselors. Meetings must be held biennially, and additional meetings may be held at the call of the chair or upon the written request of three board members. Members of the board are entitled to per diem, subsistence, and mileage.

The bill also specifies that the board may restrict or refuse a license to an applicant based on certain criteria. Additionally, the bill creates a new misdemeanor offense, with a fine nor more than \$500 or imprisonment of not more than ninety days, or both, for any person who violates the provisions of the bill. Further, the bill specifies that LLR, the board, or a person aggrieved by a final action of the board may seek review by an administrative law judge.

Department of Labor, Licensing and Regulation. LLR indicates that this bill will increase Other Funds expenses of the new board by approximately \$50,000 annually. This amount includes \$20,000 for miscellaneous services and supplies, board meeting expenses, travel, and rent. Additionally, the board anticipates sharing at least one board administrator and one administrative assistant with other boards. The new board will be responsible for \$30,000, which is a percentage of the salary and fringe for the shared personnel.

Judicial. Judicial indicates that the responsibilities of the bill can be managed within the normal course of business. Therefore, this bill will have no expenditure impact on Judicial.

State Revenue

This bill creates the South Carolina Board of Genetic Counselors which will be under the administration of LLR. The initial license fee is \$600 and is subject to change in regulation. LLR may establish and adjust application fees, license renewal fees, late fees, reinstatement fees, and other related fees in regulations. Fees must be established at levels that are adequate to ensure the continued operation of the program and may not substantially exceed this need.

The bill also allows the board to impose a civil penalty of not more than \$2,000 for each disciplinary action. The total penalty may not exceed \$10,000. The revenue from these fines will be retained by LLR and used to defray administrative costs for investigations and hearings.

LLR estimates that approximately 150 genetic counselors will seek licensure in the first year of implementation. Since the initial license fee is \$600, this would increase Other Funds revenue of the board by \$90,000 in FY 2023-24. The Other Funds revenue impact on the board thereafter for license renewal fees is undetermined since the renewal fee has not been established in regulation. Further, any increase in Other Funds revenue of the board due to disciplinary actions is also undetermined as the number of actions that may occur is unknown.

If the board falls under the Division of Professional and Occupation Licensing, Proviso 81.3 of the annual Appropriations Act will require LLR to remit annually to the General Fund an amount equal to 10 percent of expenditures unless the board has an overall negative ending cash balance. Since the board's annual expenses are estimated to total \$50,000 annually, this bill may increase General Fund revenue by \$5,000 beginning in FY 2023-24 as long as the board does not have an overall negative ending cash balance.

Further, this bill imposes a new fine, which may result in an increase in the fines and fees collected in court. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, RFA anticipates this bill may result in an undetermined increase to General Fund revenue and Other Funds revenue due to the increase in fines and fees collections in court.

Local Expenditure

N/A

Local Revenue

This bill imposes a new fine, which may result in an increase in the fines and fees collected in court. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, RFA anticipates this bill may result in an undetermined increase to local revenue due to the increase in fines and fees collections in court.

Frank A. Rainwater, Executive Director