



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: H. 5164 Introduced on February 11, 2026
Subject: Hospitals
Requestor: House Medical, Military, Public, and Municipal Affairs
RFA Analyst(s): Boggs
Impact Date: March 17, 2026 - Updated for Additional Agency Response

Fiscal Impact Summary

This bill states that patient beds may be used in hallways, corridors, and other means of egress during a justified emergency as defined by this bill. Additionally, hospitals must develop written protocols for justified emergency conditions and require all employees responsible for the care or treatment of patients to familiarize themselves with these protocols. Further, within seven calendar days of the start of the justified emergency, the hospital must document on a form developed by the Department of Public Health (DPH) that all other appropriate treatment space was exhausted and that the health and safety of patients were jeopardized without the use of beds in these areas.

This bill will have no expenditure impact on DPH, the Department of Veterans' Affairs (DVA), and the Department of Behavioral Health and Developmental Disabilities (DBHDD). DPH anticipates that any additional responsibilities created by this bill can be managed within existing staff and appropriations. DVA and DBHDD indicate that this bill will have no expenditure impact on the agencies since the inpatient facilities overseen by these agencies do not utilize patient beds in hallways.

Based on a previous response on similar legislation, the Medical University of South Carolina (MUSC) anticipates that this bill will have no fiscal impact on the agency since the facilities overseen by MUSC do not utilize patient beds in hallways. However, MUSC has expressed concern that the language in this bill may conflict with the National Fire Protection Association (NFPA) 101 Life Safety Code and Joint Commission standards. Allowing patient care activities or bed placement in egress pathways under conditions that do not meet the federal definition of an emergency could place the organization out of compliance with Life Safety Code requirements. This creates operational, safety, and accreditation risk that could lead to enforcement actions by state or federal authorities.

The Revenue and Fiscal Affairs Office (RFA) contacted all forty-six counties regarding this legislation and received responses from the counties of Charleston, Dorchester, Horry, and Lancaster. These counties indicate that the bill will have no expenditure impact.

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

Explanation of Fiscal Impact

**Updated for Additional Agency Response on March 17, 2026
Introduced on February 11, 2026**

State Expenditure

This bill states that patient beds may be used in hallways, corridors, and other means of egress during a justified emergency as defined by this bill. Additionally, hospitals must develop written protocols for justified emergency conditions and require all employees responsible for the care or treatment of patients to familiarize themselves with these protocols. Further, within seven calendar days of the start of the justified emergency, the hospital must document on a form developed by DPH that all other appropriate treatment space was exhausted and that the health and safety of patients were jeopardized without the use of beds in these areas.

This bill will have no expenditure impact on DPH, DVA, and DBHDD. DPH anticipates that any additional responsibilities created by this bill can be managed within existing staff and appropriations. DVA and DBHDD indicate that this bill will have no expenditure impact on the agencies since the inpatient facilities overseen by these agencies do not utilize patient beds in hallways.

Based on a previous response on similar legislation, MUSC anticipates that this bill will have no fiscal impact on the agency since the facilities overseen by MUSC do not utilize patient beds in hallways. However, MUSC has expressed concern that the language in this bill may conflict with NFPA 101 Life Safety Code and Joint Commission standards. Allowing patient care activities or bed placement in egress pathways under conditions that do not meet the federal definition of an emergency could place the organization out of compliance with Life Safety Code requirements. This creates operational, safety, and accreditation risk that could lead to enforcement actions by state or federal authorities.

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

State Revenue

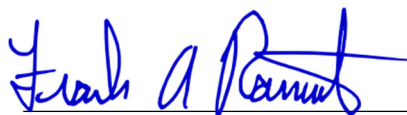
N/A

Local Expenditure

RFA contacted all forty-six counties regarding this legislation and received responses from the counties of Charleston, Dorchester, Horry, and Lancaster. These counties indicate that the bill will have no expenditure impact.

Local Revenue

N/A



Frank A. Rainwater, Executive Director