



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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Bill Number: S.0167 Updated for additional agency response  
 Author: Turner  
 Requestor: Senate Medical Affairs  
 Date: April 14, 2015  
 Subject: Hearing Aids Sales and Marketing  
 RFA Analyst(s): Stein

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**Estimate of Fiscal Impact**

	<b>FY 2015-16</b>	<b>FY 2016-17</b>
<b>State Expenditure</b>		
General Fund	\$57,895	\$55,927
Other and Federal	minimal	minimal
Full-Time Equivalent Position(s)	1.00	1.00
<b>State Revenue</b>		
General Fund	N/A	N/A
Other and Federal	N/A	N/A
<b>Local Expenditure</b>	N/A	N/A
<b>Local Revenue</b>	N/A	N/A

**Fiscal Impact Summary**

This bill is expected to have an expenditure impact on the General Fund and Other Funds. The annual expenditure to administer the new license program is estimated at \$57,895 in the first year and \$55,927 each year thereafter. Any fees collected from new internet or mail order service licensees would be used to offset the estimated expense. This bill would have no expenditure impact on Federal Funds.

**Explanation of Fiscal Impact**

**State Expenditure**

Senate Bill 167 amends Section 40-25-60, administered by the Department of Health and Environmental Control, related to the practice of specializing in hearing aids. This bill expands the hearing aid specialist license requirement to anyone who offers to sell hearing aids in this state through the mail, internet, or other means.

**Department of Health and Environmental Control.** The department indicates that the additional responsibility of licensing hearing aid specialists operating through the internet or mail services would require 1.00 new FTE for an Inspector III position. The increase in expenditures for salary, fringe benefits, and operating expenses is estimated at \$55,927 annually with a one-time first-year cost of \$1,968 for a computer and software.

**State Revenue**

The department currently issues licenses to 215 vendors annually and receives approximately \$9,000 in revenue. It is not possible to estimate the number of new licenses that might be issued

for internet or mail-order hearing aid specialists resulting from enactment of this bill. Any fees collected from new internet or mail order service licensees would be used to offset the estimated expense.

**Local Expenditure**

N/A

**Local Revenue**

N/A



Frank A. Rainwater, Executive Director