

Statement of Estimated State Revenue Impact

Date: April 04, 2012

Bill Number: S.B. 1388

Authors: Cleary

Committee Requesting Impact: Medical Affairs Committee

Bill Summary

A bill to amend Section 44-7-150, as amended, Code of Laws of South Carolina, 1976, relating to duties of the Department of Health and Environmental Control in the administration of the Certificate of Need (CON) Program, including the assessment and collection of fees, so as to establish CON application, filing and issuance fees.

REVENUE IMPACT ¹¹

This bill is expected to reduce the State's general fund by approximately \$647,000 in FY2012-2013.

Explanation

This bill allows an amendment for Section 44-7-150 by allowing the Department of Health and Environmental Control to charge and collect an initial filing fee of \$500; an application fee of .5% of the total project cost, as defined in regulation, not to exceed \$7,000; and an issuance fee of \$7,500 to cover the cost of operating the CON program. Based on information provided by the Department of Health and Environmental Control, this codifies the existing fee structure.

Section 44-7-150 currently states that any fee collected in excess of seven hundred fifty thousand dollars must be retained by the department and designated for the administrative costs of the CON program. The first seven hundred fifty thousand dollars collected must be deposited in the general fund of the State. This amendment would delete the required deposit to the General Fund. For FY2012-2013, the General Fund is expected to receive \$647,000, which is the amount affected by this bill.



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¹¹ This statement meets the requirement of Section 2-7-71 for a state revenue impact by the BEA, or Section 2-7-76 for a local revenue impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.