



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: S. 0170 Introduced on January 14, 2025
Subject: Surgical Smoke Evacuation System
Requestor: Senate Medical Affairs
RFA Analyst(s): Boggs
Impact Date: February 19, 2025

Fiscal Impact Summary

This bill requires hospitals and ambulatory surgical facilities (ASFs) to adopt and implement policies to prevent exposure to surgical smoke by requiring the use of a smoke evacuation system during any surgical procedure that is likely to generate surgical smoke.

The Department of Public Health (DPH) oversees licensing for hospitals and ASFs in South Carolina. DPH indicates there are currently, 109 licensed hospitals/infirmaries and 88 licensed ASFs in South Carolina. Not all of these facilities perform surgical procedure that are likely to generate surgical smoke. It is unknown how many of these facilities will be impacted by this bill.

DPH anticipates that implementation of this bill will have an undetermined increase to the frequency of design plan and specification reviews, as well as inspections performed by the agency's Health Facilities Construction Section. DPH further anticipates that this bill will result in an undetermined increase to the construction inspection fees collected by the agency. The agency anticipates that any expenditure increase related to the increase in the number of reviews and inspections will be offset by the undetermined increase in inspection fee revenue. Therefore, DPH anticipates that the fiscal impact of this bill can be managed with existing staff and appropriations. For reference, DPH oversees licensing for hospitals and ASFs in South Carolina. DPH indicates there are currently, 109 licensed hospitals/infirmaries and 88 licensed ASFs in South Carolina. However, not all of these facilities perform surgical procedure that are likely to generate surgical smoke. It is unknown how many of these facilities will be impacted by this bill.

The Medical University of South Carolina (MUSC) is continuing to analyze the impact of this bill. This fiscal impact is pending, contingent upon a response from the agency.

The Revenue and Fiscal Affairs Office (RFA) contacted all counties to determine the impact on local governments. RFA received a response from the counties of Charleston, Chesterfield, and Florence. These counties anticipate this bill will have no expenditure impact.

Explanation of Fiscal Impact

Introduced on January 14, 2025

State Expenditure

This bill requires hospitals and ASFs to adopt and implement policies to prevent exposure to surgical smoke by requiring the use of a smoke evacuation system during surgical procedures.

DPH anticipates that implementation of this bill will have an undetermined increase to the frequency of design plan and specification reviews, as well as inspections performed by the agency's Health Facilities Construction Section. The potential increase in related expenses for the agency will depend on the increase in the number of reviews and inspections. Therefore, the expenditure impact for DPH is undetermined.

DPH collects construction inspection fees that are based on the total project cost. DPH anticipates that this bill will increase the construction inspection fees collected by the agency. The potential increase in fee revenue for DPH will depend on the number of facilities that need to implement smoke evacuation systems and the total cost of each project. Therefore, the impact to construction inspection fee revenue is undetermined. However, the agency anticipates that any expenditure increase related to the increase in the number of reviews and inspections will be offset by the undetermined increase in inspection fee revenue. Therefore, DPH anticipates that the fiscal impact of this bill can be managed with existing staff and appropriations.

For reference, DPH oversees licensing for hospitals and ASFs in South Carolina. DPH indicated there are currently, 109 licensed hospitals/infirmaries and 88 licensed ASFs in South Carolina. However, not all facilities perform surgical procedures that are likely to generate surgical smoke, and some facilities already have smoke evacuation systems installed. Therefore, it is unknown how many facilities will be impacted by this bill.

MUSC is continuing to analyze the impact of this bill. This fiscal impact is pending, contingent upon a response from the agency.

State Revenue

This bill may increase the construction inspection fees collected by DPH. The potential increase in fee revenue for DPH will depend on the number of facilities that need to implement smoke evacuation systems and the total cost of each project. Therefore, the impact to construction inspection fee revenue is undetermined.

Local Expenditure

RFA contacted all counties to determine the impact to local governments. RFA received a response from the counties of Charleston, Chesterfield, and Florence. These counties anticipate this bill will have no expenditure impact.

Local Revenue

N/A



Frank A. Rainwater, Executive Director