

AGENCY NAME:	South Carolina Department of Labor, Licensing and Regulation		
AGENCY CODE:	R360	SECTION:	81



**Fiscal Year 2018-19
Agency Budget Plan**

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS (FORM B1)	For FY 2018-19, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting General Fund Appropriations.
	<input checked="" type="checkbox"/>	Requesting Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.

NON-RECURRING REQUESTS (FORM B2)	For FY 2018-19, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input checked="" type="checkbox"/>	Not requesting any changes.

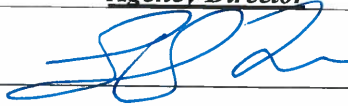
CAPITAL REQUESTS (FORM C)	For FY 2018-19, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting funding for Capital Projects.
	<input checked="" type="checkbox"/>	Not requesting any changes.

PROVISOS (FORM D)	For FY 2018-19, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input checked="" type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Laura Jean Pace	803-896-4315	laura.pace@llr.sc.gov
SECONDARY CONTACT:	Rebecca Leach	803-360-1794	rebecca.leach@llr.sc.gov

I have reviewed and approved the enclosed FY 2018-19 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

SIGN/DATE:	<u>Agency Director</u>	<u>Board or Commission Chair</u>
	 9/15/2017	
TYPE/PRINT NAME:	Emily Farr	

This form must be signed by the agency head – not a delegate.

Fiscal Year 2018-19 Budget Request Executive Summary

Agency Code: R360
 Agency Name: South Carolina Department of Labor, Licensing and Regulation
 Section:

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Additional FTE's					0			2.00		2.00
2							0					0.00
3							0					0.00
4							0					0.00
5							0					0.00
6							0					0.00
7							0					0.00
8							0					0.00
9							0					0.00
10							0					0.00
11							0					0.00
12							0					0.00
13							0					0.00
14							0					0.00
15							0					0.00
16							0					0.00
17							0					0.00
18							0					0.00
19							0					0.00
20							0					0.00
21							0					0.00
22							0					0.00
23							0					0.00
24							0					0.00
25							0					0.00
26							0					0.00
27							0					0.00
28							0					0.00
29							0					0.00
30							0					0.00
TOTAL BUDGET REQUESTS			0	0	0	0	0	0.00	0.00	2.00	0.00	2.00

AGENCY NAME:	South Carolina Department of Labor, Licensing and Regulation		
AGENCY CODE:	R360	SECTION:	81

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	1-Form#13487
------------------------	---------------------

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Additional FTE's
--------------	-------------------------

Provide a brief, descriptive title for this request.

AMOUNT	General: \$0 Federal: \$0 Other: \$0 Total: \$0
---------------	--

What is the net change in requested appropriations for FY 2018-19? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	Two FTE's
----------------------	------------------

Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input checked="" type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input checked="" type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority # _____	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input checked="" type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

AGENCY NAME:	South Carolina Department of Labor, Licensing and Regulation		
AGENCY CODE:	R360	SECTION:	81

ACCOUNTABILITY OF FUNDS	<p>2.2: Improve efficiency and turnaround time of permitting, licensing, inspections and plan reviews conducted by the Office of State Fire Marshal.</p> <p>2.2.3: Reduce the time it takes for Deputy State Fire Marshals to conduct inspections after requested or otherwise submitted to the OSFM.</p> <p>The use of the funds will be evaluated by seeing a decrease in the amount of time it takes for inspections to occur after requested or otherwise submitted to the OSFM.</p> <p>3.2: Increase effectiveness and efficiency of complaint, disciplinary and enforcement process.</p> <p>3.2.2: Increase overall efficiency in processing of licensing and disciplinary actions for nurses in South Carolina.</p> <p>The use of the funds will be evaluated by seeing a decrease in the amount of time it takes for a complaint or application that requires a board appearance to be processed for health-related boards at the agency, and Board of Nursing in particular.</p> <p>The justification for the request detailed below outlines how this request will advance the objectives.</p>
--------------------------------	--

What specific agency objective, as outlined in the agency's accountability report, does this funding request support? How would this request advance that objective? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	<p>One (1) FTE – Administration - Advice Counsel</p> <p>One (1) FTE – Office of State Fire Marshal - Deputy State Fire Marshal</p> <p>No additional funds are needed as these positions will be funded with existing Other Funds authorization.</p>
----------------------------	---

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

AGENCY NAME:	South Carolina Department of Labor, Licensing and Regulation		
AGENCY CODE:	R360	SECTION:	81

JUSTIFICATION OF REQUEST	<p>This decision package is to increase the Agency's FTE's by two (2) which will be Other Funded positions.</p> <p>One FTE is for Administration for an additional attorney in Advice Counsel to enable a reduction in the number of healthcare-related boards assigned to each advice counsel due to the high volume and complexity of cases presented in those professions, particularly the Board of Nursing. The enactment of the Enhanced Nurse Licensure Compact (eNLC), effective in 2018, is anticipated to result in a significant increase in licensure and disciplinary matters when the Board of Nursing is already the agency's largest licensee pool and requires significant amount of daily attention.</p> <p>The second FTE is for the Office of State Fire Marshal for an additional Deputy State Fire Marshal to handle increased workload due to new responsibilities for fire and life safety inspections from the Department of Administration and health inspections for foster homes from the Department of Social Services. The additional FTE will help the Office of State Fire Marshal be more efficient and timely in conducting the full scope of statutorily required inspections and those added by contract.</p>
---------------------------------	---

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

AGENCY NAME:	South Carolina Department of Labor, Licensing and Regulation		
AGENCY CODE:	R360	SECTION:	81

FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION CONTINGENCY PLAN

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan
--------------	---

AMOUNT	\$42,498
---------------	-----------------

What is the General Fund 3% reduction amount (minimum based on the FY 2017-18 recurring appropriations)? This amount should correspond to the reduction spreadsheet prepared by EBO.

ASSOCIATED FTE REDUCTIONS	Zero
----------------------------------	------

How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM/ACTIVITY IMPACT	II.B. Occupational Safety & Health Program – General Funds are used as match to the state OSHA Program.
--------------------------------	---

What programs or activities are supported by the General Funds identified?

AGENCY NAME:	South Carolina Department of Labor, Licensing and Regulation		
AGENCY CODE:	R360	SECTION:	81

SUMMARY	<p>Our General Fund appropriation is used as matching funds for the Occupational Safety and Health Administration (OSHA) State Fund Grant. The purpose of the SC OSHA is to ensure our citizens a safe and healthful working environment. SC OSHA is required by law to issue a citation and proposed penalty within six months of a violation's occurrence.</p> <p>The reduction amount was calculated as 3% of the total General Funds received by the Agency. The reduction would impact operating expenditures, supplies and travel, specifically.</p>
----------------	--

Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.

AGENCY COST SAVINGS PLANS	<p>LLR is reducing the number of desk top printers to save on printer cartridges, paper and equipment by providing work areas with copiers that have the capability of printing from computers with security to ensure that only those who submitted the print job can open and print the documents. Estimated annual cost savings for LLR for fewer desk top printers is approximately \$105,000.</p> <p>LLR is reducing the number of telephone landlines and converting over to IP phones for an estimated annual savings of \$129,000.</p>
----------------------------------	--

What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?

AGENCY NAME:	South Carolina Department of Labor, Licensing and Regulation		
AGENCY CODE:	R360	SECTION:	81

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	<p>Fee Reduction and Regulation Revision</p> <p><i>Provide a brief, descriptive title for this request.</i></p>								
EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	<p>Fee Reduction Savings – Approximately \$398,960</p> <p>Regulation Revision - Reduced burden to citizens as a result of the reporting schedule adjustment.</p> <p><i>What is the expected savings to South Carolina’s businesses and citizens that is generated by this proposal? The savings could be related to time or money.</i></p>								
FACTORS ASSOCIATED WITH THE REQUEST	<p>Mark “X” for all that apply:</p> <table border="1"> <tr> <td><input checked="" type="checkbox"/></td> <td>Repeal or revision of regulations.</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Reduction of agency fees or fines to businesses or citizens.</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Greater efficiency in agency services or reduction in compliance burden.</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Other</td> </tr> </table>	<input checked="" type="checkbox"/>	Repeal or revision of regulations.	<input checked="" type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.	<input type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.	<input type="checkbox"/>	Other
<input checked="" type="checkbox"/>	Repeal or revision of regulations.								
<input checked="" type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.								
<input type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.								
<input type="checkbox"/>	Other								
METHOD OF CALCULATION	<p><u>Board of Examiners in Speech-Language Pathology and Audiology - Reinstatement Fee Reduction (Reduced by: \$60):</u> (# of licensees reinstated last renewal x previous renewal fee) - (# of licensees reinstated last renewal x reduced renewal fee) = Savings to Citizens</p> <p>$(99 \times \\$270) - (99 \times \\$210) = \\$5,940 \text{ Saved}$</p> <p><u>Real Estate Commission – Inactive Status Fee Reduction (Reduced by: \$65, \$75)</u> (# of Brokers/Property Managers who selected inactive last renewal x previous fee) – (# of Brokers/Property Managers who selected inactive last renewal x reduced fee) = Savings to Citizens</p> <p>$(1,528 \times \\$120) - (1,528 \times \\$55) = \\$99,320 \text{ Saved}$</p> <p>(# of Salespersons who selected inactive last renewal x previous fee) – (# of Salespersons who selected inactive last renewal x reduced fee) = Savings to Citizens</p> <p>$(3,916 \times \\$120) - (3,916 \times \\$45) = \\$293,700 \text{ Saved}$</p> <p><i>Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.</i></p>								
REDUCTION OF FEES OR FINES	<p><u>Board of Examiners in Speech-Language Pathology and Audiology</u></p> <ul style="list-style-type: none"> - Regulation 10-41(C)(1) – Audiologist and Speech-Language Pathologist Licensee Reinstatement Fee (Reduced from \$270 to \$210 - biennially) - Revenue from previous renewal cycle: \$26,730 - Program Expenditure for previous fiscal year: \$81,951 - Enabling Statute: §40-1-50(D) 								

AGENCY NAME:	South Carolina Department of Labor, Licensing and Regulation		
AGENCY CODE:	R360	SECTION:	81

	<p><u>Real Estate Commission</u></p> <ul style="list-style-type: none"> - Regulation 10-37(B)(4) – Inactive Status Fee (Reduced from \$120 to \$55 - Broker/Property Manager and to \$45 - Salesperson) (biennial) - Revenue from previous renewal cycle: \$653,280 - Program Expenditure for previous fiscal year: \$748,452 - Enabling Statute: §40-57-60(A)(4)
--	--

Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?

REDUCTION OF REGULATION	<p><u>Perpetual Care Cemetery Board</u></p> <ul style="list-style-type: none"> - Amend Regulation 21-2(4) – Licensed Public Accountant/Certified Public Accountant Definition/Care and Maintenance Trust Fund and Merchandise Fund Examination Schedule - Enabling Statute: §40-8-70
--------------------------------	---

Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

SUMMARY	<p><u>Board of Examiners in Speech-Language Pathology and Audiology</u></p> <p>We intend to reduce the reinstatement fee for speech-language pathologists and audiologists from \$270 to \$210, biennially. By doing this, we expect to achieve a savings of approximately \$5,940 for the citizens of our state. This reduction will have no impact on agency operations.</p> <p><u>Real Estate Commission</u></p> <p>We intend to reduce the fee for licensees to be placed in inactive status from \$120 to \$55 for brokers/property managers and to \$45 for salespersons, biennially. By doing this, we anticipate achieving a savings of approximately \$393,020 for the citizens of our state. This reduction will have no impact on agency operations.</p> <p><u>Perpetual Care Cemetery Board</u></p> <p>We intend to amend the regulation requiring a Public Accountant or Certified Public Accountant to examine a cemetery’s care and maintenance trust fund as well as their merchandise fund from every three years to every year. Although the review frequency will increase, it actually reduces the burden on our citizens by providing the following benefits:</p> <ol style="list-style-type: none"> 1. Easier for a cemetery to manage records because records can now be filed away every 12 months as opposed to every 36 months; 2. Minimize the impact of personnel changes on record keeping that could occur over the current 36 month reporting period; 3. Easier on business cash flow as CPA fees could be less due to the lessened workload; and 4. Better compliance tool – mistakes would be discovered sooner making corrections more likely and affordable. <p>Although this amendment could slightly increase agency workload, the benefit to the public outweighs agency impact.</p>
----------------	---

Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?