

Agency Name:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83



Fiscal Year FY 2025-2026

Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS <i>(FORM B1)</i>	For FY 2025-2026, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting General Fund Appropriations.
	<input type="checkbox"/>	Requesting Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.

NON-RECURRING REQUESTS <i>(FORM B2)</i>	For FY 2025-2026, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input checked="" type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.

CAPITAL REQUESTS <i>(FORM C)</i>	For FY 2025-2026, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting funding for Capital Projects.
	<input checked="" type="checkbox"/>	Not requesting any changes.

PROVISOS <i>(FORM D)</i>	For FY 2025-2026, my agency is (mark "X"):	
	<input checked="" 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 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:	Tiffany Frye	(803) 737-2571	tfrye@dew.sc.gov
SECONDARY CONTACT:			

I have reviewed and approved the enclosed FY 2025-2026 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	<u>Agency Director</u>	<u>Board or Commission Chair</u>
SIGN/DATE:		
TYPE/PRINT NAME:		

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

Agency Name:	<u>Department Of Employment And Workforce</u>
Agency Code:	R600
Section:	83

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Statewide Education & Workforce Development Portal Maintenance and Update	2,800,000	0	0	0	2,800,000	0.00	0.00	0.00	0.00	0.00
2	B2 - Non-Recurring	Statewide Education & Workforce Development Portal	10,300,000	1,859,376	250,000	0	12,409,376	0.00	0.00	0.00	0.00	0.00
3	B1 - Recurring	FY25 Increase and Employee Retention	1,908,973	0	0	0	1,908,973	0.00	0.00	0.00	0.00	0.00
TOTALS			15,008,973	1,859,376	250,000	0	17,118,349	0.00	0.00	0.00	0.00	0.00

Agency Name:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	1
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Statewide Education & Workforce Development Portal Maintenance and Update
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Provide a brief, descriptive title for this request.

AMOUNT	<p>General: \$2,800,000</p> <p>Federal: \$0</p> <p>Other: \$0</p> <p>Total: \$2,800,000</p>
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What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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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 type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input 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 checked="" type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	HR/Personnel Related
<input type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority # 2	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input checked="" type="checkbox"/>	Education, Training, and Human Development
	<input 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

ACCOUNTABILITY OF FUNDS	<p>1.2. Lead and support the efforts of the Coordinating Council for Workforce Development and the S.C. Statewide Education and Workforce Development Act.</p> <p>3.3.4. Work with Coordinating Council for Workforce Development partners to begin developing a central online portal for employers, jobseekers, students, educators, and other stakeholders to locate workforce development and education resources and services across the state.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF	<p>DEW would use these funds to maintain the Education and Workforce Portal with support from vendor(s) tasked with maintenance, security, and updates. These funds would also pay for licenses.</p>
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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?

JUSTIFICATION OF REQUEST

The South Carolina education and workforce system is governed by the Statewide Education and Workforce Development Act (Act 67 of 2023). The stated purpose of the act includes, among other items, to coordinate and align all publicly funded workforce development efforts and promote a customer-centric system that is easy to access, highly effective, and simple to understand.

The Coordinating Council for Workforce Development, chaired by the Executive Director of the Department of Employment and Workforce (DEW), is tasked with implementing the requirements under the act to include creation of a Unified State Plan for Education and Workforce (USP) and an Education and Workforce Portal.

This request is for **\$2.8 million** in recurring General Funds to maintain and update the Education and Workforce Portal. This portal will serve as the state’s central access point for education and workforce information to users as their circumstances and desires change throughout their life. The portal will be a desktop and mobile browser friendly online resource that will provide users with tailored resources relating to workforce opportunities and pathways.

Gartner, Inc. was engaged to conduct a feasibility study to provide a more detailed estimate of costs to develop an education and workforce portal that meets stakeholder and end-user needs. This study identified a need for approximately **\$2.8 million** recurring funding for licensing costs necessary to maintain the portal as well as operating and maintenance costs:

- **Operations and Management** vendor costs were estimated to be \$1 million -to \$2 million annually.
- **Licensing** was estimated to be \$1.8 million to \$2 million annually.

A more detailed summary of portal capabilities is provided with the nonrecurring request. Examples of some of the recurring costs include:

- **Access Management/Information Security:** Protecting the portal and its users against unauthorized access, fraud, and other security hazards.
- **Assisted Support:** Connecting end users to the appropriate channel (live chat, phone, text, email) for support regarding questions and issues related to the Centralized Portal or specific services. Integrates with augmented support.
- **Ongoing Content Management:** Development, testing, publishing, and updating or maintenance of instructional and informational content related services and benefits. Management of various versions, metadata, key words, and search optimization. Content may include static articles, guides, and videos but also include interactive trainings, exams, and wizards.
- **Accessibility Support:** Ensuring that the portal remains accessible to all users, maintaining compliance with the latest legal requirements and Web Content Accessibility Guidelines.

A portal that is not well-maintained to ensure accurate, up-to-date education and workforce information does not serve its purpose of providing the public a one-stop shop for workforce and education information. In addition, the portal will require updates to reflect the latest workforce needs and opportunities, to respond to education and workforce challenges, and to provide a resource that evolves along with its users.

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:	Department Of Employment And Workforce		
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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	3
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	FY25 Increase and Employee Retention
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$1,908,973 Federal: \$0 Other: \$0 Total: \$1,908,973
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What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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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 type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input 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 checked="" type="checkbox"/>	HR/Personnel 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 checked="" type="checkbox"/>	Education, Training, and Human Development
	<input 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

ACCOUNTABILITY OF FUNDS	<p>Goal 4: Improve employee retention and enhance employee engagement, professional development, and recognition initiatives.</p> <p>Funds will be used to pay the 2.25% general salary increase within the FY24-25 General Appropriations Act and to retain an experienced, high-performing workforce through implementation of a performance pay program.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

	Funds will be used to pay the FY24-25 General Appropriations Act 2.25% general salary increase for federally-funded or Education Improvement Act-funded employees
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RECIPIENTS OF FUNDS

DEW was not funded in the act) so that federal funds and Education Improvement Act funds can be used for other administrative or operating costs to better serve South Carolinians served by those programs. Funds will also be used to fund performance-based salary increases for both state and federally-funded employees that meet certain criteria.

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?

DEW is requesting \$1,908,973 to fund the unfunded portion of the 2.25% general salary increase in the FY24-25 General Appropriations Act and to implement a performance pay program.

General Increase (\$1,137,973)

As DEW is primarily funded by federal grants, legislated increases must be absorbed by our current level of federal dollars. While DEW was fortunate to receive approximately \$1 million in the FY24-25 budget to cover a portion of the previous year’s 5% general increase, 56% of that increase remains federally funded along with the 2.25% salary increase passed last year. Because DEW’s federal funding is already fully obligated, the cost of these salary increases over time may not be sustainable and may potentially affect the level and quality of services to South Carolina residents and businesses.

In addition, state law provides for twelve Regional Workforce Advisors to be employed by DEW to serve as a critical resource to bridge gaps at the local level between those who educate students and the business community. The Regional Workforce Advisors are state-funded, but the Education Improvement Act (EIA) funding for these twelve vital positions is not increased to accommodate a general salary increase when one is funded for state FTEs paid with state General Funds. While the 2.25% increase this year only represents about \$25,000 for the Regional Workforce Advisor program, this increase was accompanied by a \$500,000 reduction in the program’s funding. The relatively thin margins for this program make this relatively modest increase in costs much more significant. Funding the cost of the most recent general salary increase for the Regional Workforce Advisor program will ensure adequate funding remains for use in local areas in and around our state’s schools.

Performance Pay (\$771,000)

The SC Department of Employment and Workforce (DEW) is requesting \$771,000 in general funds to retain high-performing employees critical to the agency’s success in getting South Carolinians back to work and addressing the needs of business customers and jobseekers alike. DEW’s federal funding has not increased to keep the agency’s salaries competitive, particularly for tenured employees. The most common reason cited for separating employees in exit surveys is compensation, and compensation is the most common answer among current employees in satisfaction surveys asking what they were least satisfied with regarding their job. This state funding is requested to fund performance-based salary increases where other sources of funding are not available.

Turnover directly correlates to higher agency administrative and training costs and impacts the agency’s overall effectiveness, efficiency, and productivity. For example, in 2023, it took an average of 100 - 200 hours to onboard and train a new employee for frontline positions in Unemployment Insurance and Employment Services, a cost of about \$5,000 - \$10,000 per hire. Customer Service Representatives, for example, had 29 separations, with per hire cost around \$9,100 for a total of \$264,078 spent to onboard and train those new hires. In addition to the cost of training and onboarding, turnover naturally results in the loss of productivity due to vacancies to include longer wait times and less coverage at SC Works Centers to sustain and grow programs like Ticket to Work or Connection Points. Turnover also results in a lack of seasoned employees to train new hires, ensure continuity of operations, and serve in leadership roles.

DEW proposes to utilize these funds for salary increases among employees with "Exceptional" performance ratings with additional criteria to be determined by the Executive Director such as making a substantial contribution to cost savings/cost reduction; a significant contribution to agency goals and objectives; or a significant increase in services, quality of work, or agency productivity through innovation.

JUSTIFICATION OF REQUEST

Program Area	Funding Type	Cost FY25 2.5% Increase
Administration & Audit	Federal	\$ 221,519
Employment Services	Federal	\$ 284,182

Labor Market Information	Federal	\$ 40,640
Unemployment Insurance	Federal	\$ 525,664
Workforce Development	Federal	\$ 42,056
Regional Workforce Advisors	S.C. Education Improvement Act	\$ 23,913
Grand Total	\$ 1,137,973	

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:	Department Of Employment And Workforce		
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FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	2
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Statewide Education & Workforce Development Portal
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Provide a brief, descriptive title for this request.

AMOUNT	\$12,409,376
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What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

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 type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input 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 checked="" type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
	<input type="checkbox"/>	HR/Personnel Related
	<input checked="" type="checkbox"/>	Request for Non-Recurring Appropriations
<input checked="" type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding	
<input checked="" type="checkbox"/>	Related to a Recurring request – If so, Priority # Statewide Education & Workforce Development Portal Maintenance and Update	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input checked="" type="checkbox"/>	Education, Training, and Human Development
	<input 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

ACCOUNTABILITY OF FUNDS	<p>1.2. Lead and support the efforts of the Coordinating Council for Workforce Development and the S.C. Statewide Education and Workforce Development Act.</p> <p>3.3.4. Work with Coordinating Council for Workforce Development partners to begin developing a central online portal for employers, jobseekers, students, educators, and other stakeholders to locate workforce development and education resources and services across the state.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	DEW would contract with a vendor(s) to build the Education and Workforce portal.
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)?

The South Carolina education and workforce system is governed by the Statewide Education and Workforce Development Act (Act 67 of 2023). The stated purpose of the Act includes, among other items, to coordinate and align all publicly funded workforce development efforts and promote a customer-centric system that is easy to access, highly effective, and simple to understand.

The Coordinating Council for Workforce Development, chaired by the Executive Director of the Department of Employment and Workforce (DEW), is tasked with implementing the requirements under the act to include creation of a Unified State Plan for Education and Workforce (USP) and an Education and Workforce Portal.

This request is for **\$10.3 million** in nonrecurring general funds, in addition to increased federal and other funds authorization, to create and maintain the Education and Workforce Portal to serve as the state's central access point for education and workforce information to users as their circumstances and desires change throughout their life. The portal will be a desktop and mobile browser friendly online resource that will provide users with tailored resources relating to workforce opportunities and pathways. The target audience is diverse to include user groups across South Carolina such as employers, jobseekers, educators, students, parents, community leaders, policy makers, state agencies, workforce partners, and the public.

Portal Capabilities

Gartner, Inc. was engaged to conduct a feasibility study to provide a more detailed estimate of costs to develop an education and workforce portal that meets stakeholder and end-user needs. The following education and workforce capabilities were included:

- **Education and Training Program Assets Inventory:** Users would be able to access an inventory of education and training programs available within South Carolina (including early childhood, K-12, higher education, and adult education/training).
- **Career Pathways Tool:** Users could utilize the portal to create personalized options for potential career paths that an individual could take depending on their skills, credentials and career interest surveys.
- **Educational Program Alignment:** The portal could be used by educators and institutions to access information on workforce needs and the related educational and/or training needed to align their curricula with the needs of the state's industries and employers.
- **Training/Skills Improvement Matching:** The portal could match constituents to training and skills improvement programs that match their career pathway or interests.
- **College and Career Readiness Tool:** Users can access planning and support tools via the portal for personalized assessment and recommendations on getting ready for college or a certain career in addition to virtual career counseling and guidance opportunities.
- **Student Enrollment and Support Services:** Users can access information and links for admissions, transfer articulation, financial aid, marketing, immigration management. Users could also find information and links to student support services such as transportation, childcare, food, and student health services.
- **Educator Resources:** Provide information and links to instructional resources available to educators such as state and federal programs, policies, regulations, and courses and certifications. Provide an inventory of professional development resources (courses and opportunities) for educators within South Carolina.
- **Training Program Support:** Allow various end-users (such as job-seekers, students, employers and training provider partners) to access and manage information regarding training programs available within South Carolina. The portal could potentially enable online delivery of training as well.
- **Jobseeker Support:** Integrate with SC Works Online Services to allow job seeker support capabilities such as aggregate job search across multiple job boards/databases; analysis of job trends in the market to help build career pathways and provide education and training program recommendations; access to resume, cover letter, and interview preparation resources; and access to information about job fairs and workshops.
- **Employer Support:** Integrate with SC Works Online Services to allow employers to manage services such as ability to post jobs in the common portal, where the posted job can be accessed at nearby high schools and technical colleges. In addition to recruitment tools, employers could access training provider information, access work-based learning information, or find tax credits opportunities (e.g., WOTC, apprenticeship tax credit, etc.).
- **State and Federal Workforce Development Programs:** Manage access to information regarding state and federal workforce development programs (such as

JUSTIFICATION OF REQUEST

- WIOA, PATH, and Back to Work) to workforce partner agencies and to end users.
- **Real-time Labor Market Information:** Real-time access to labor market information and projections to end-users. More general capabilities for the portal may include:
 - **Dashboards and Reports:** Constituents can access education and workforce data, including metrics of the Unified State Plan for Education and Workforce Development, in easy-to-use dashboards and reports. In addition, constituents can have a holistic view of personalized upcoming activities (events, tasks, milestones, deadlines), current communications and statuses, and payment or communication histories.
 - **Common Intake:** Common intake forms could be implemented to avoid users having to fill out basic information across multiple applications. The portal could leverage dynamic forms, document upload checklists and validation, status notification triggers, and decision explanations.
 - **Service Recommendations:** Users could receive recommendations for services or resources that may be relevant to them based on their profile information, activity, and other insights.
 - **Eligibility Screening:** Step-by-step eligibility pre-screening questions and end-user information validation that walks users through the process of ensuring they are eligible for services before they apply for them. Efficiency is enabled via auto-populating fields based on existing client account data and allowing end-users to save and bookmark their progress. Workflow steps can screen for duplicate applications, so end-users do not submit multiple applications for services they have already applied for. The eligibility decision is communicated and explained clearly, enabling transparency and recommending possible alternatives.
 - **Communication and Notices:** Users can receive push notifications and other communications related to service intake, delivery, and support processing as well as indicators of current status of service intake in process.
 - **Access Management & Privacy Control:** The portal will prevent unauthorized access and fraud and also include settings that allow constituents to set preferences for privacy controls including privacy policies, consent forms, opt-in and opt-out settings (including for cookies/tracking), multi-factor authentication, and data retention. The portal may potentially have the ability to facilitate single sign-on.
 - **Accessibility and Language Support:** The portal will comply with legal and Web Content Accessibility Standards and serve the needs of people living with disabilities. The portal should also be accessible for those with limited English proficiency with all text fully translatable to include translation of outgoing communication to constituents, document generation, sub-titling / transcription of videos, and multi-lingual support of incoming communication from constituents and submitted in text fields.

Federal Funds and Other Funds Authorization

Increased authorizations would be needed to accommodate federal and other funds already received for development of the portal.

- The Education and Workforce Portal has **\$1,859,376** in federal funds committed through SC Nexus. These funds are to expedite the rollout of the portal and include a focus on widening exposure to grid resilience careers and educational programs. These funds will be expended over a five-year period.
- A private employer has donated **\$250,000** for development of the portal.

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:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83

FORM D – PROVISO REVISION REQUEST

NUMBER	83.5
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Cite the proviso according to the renumbered list (or mark "NEW").

TITLE	Reed Act Spending Authority
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Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM	Unemployment Insurance, Employment Service, WIOA
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	N/A
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Is this request associated with a budget request you have submitted for FY 2025-2026? If so, cite it here.

REQUESTED ACTION	Amend
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	None
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>Section 903(c)(2) of the Social Security Act requires DEW to request spending authority to use the proceeds from the sale of real properties containing Reed Act equity. This request updates the reference to the fiscal year and dollar amount.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

The total requested amount of spending authority was determined based on proceeds from sales already executed, or the potential amount of Reed Act proceeds associated with properties currently listed for sale on state surplus. Up to \$2,375,072 of the funds will be utilized to fund a portion of the agency's unemployment insurance, Workforce Innovation and Opportunity Act, and Employment Services programs.

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

**PROPOSED
PROVISO TEXT**

The Department of Employment and Workforce is authorized to expend up to \$2,375,072 of funds made available to the State under Section 903 of the United States Social Security Act, as amended. The funds must be used under the direction of the Department of Employment and Workforce, for the purpose of funding Unemployment Insurance, Workforce Innovation and Opportunity Act, and Employment Services Programs. No part of the funds herein authorized may be obligated after a two-year period beginning on July 1, ~~2024~~**2025**. The amount obligated pursuant to this provision shall not at any time exceed the amount by which (a) the aggregate of amounts transferred to the accounts of the State pursuant to Section 903 of the Social Security Act exceeds (b) the aggregate of the amounts obligated for administration and paid out for administration and paid out for benefits and as required by law to be charged against the amounts transferred to the account of this State.

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

Agency Name:	Department Of Employment And Workforce		
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FORM D – PROVISIO REVISION REQUEST

NUMBER	New
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Cite the proviso according to the renumbered list (or mark "NEW").

TITLE	Carry Forward Authorization
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Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM	General Fund
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	
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Is this request associated with a budget request you have submitted for FY 2025-2026? If so, cite it here.

REQUESTED ACTION	Add
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	None
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>DEW is requesting authority to carry forward any unspent General Fund monies outside of the 10% carry forward proviso to continue to fund agency programs and services for South Carolina jobseekers, employers, educators, students, and other South Carolinians.</p> <p>DEW receives relatively little state funding and carry forward funds could offer some additional stability to programs on relatively thin margins such as the Regional Workforce Advisor program or Be Pro Be Proud and ensure that the maximum number of South Carolinians benefit from these programs.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

General Fund monies that could be used to support the Department of Employment and Workforce mission would not be lapsed.

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

**PROPOSED
PROVISO TEXT**

Unexpended funds from appropriations to the Department of Employment and Workforce shall be carried forward from the prior fiscal year and used for the same purpose.

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

Agency Name:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83

FORM D – PROVISO REVISION REQUEST

NUMBER	New
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Cite the proviso according to the renumbered list (or mark "NEW").

TITLE	3% Reduction Exemption
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Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM	General Fund
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	N/A
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Is this request associated with a budget request you have submitted for FY 2025-2026? If so, cite it here.

REQUESTED ACTION	Add
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	None
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>DEW's services are critical to getting South Carolinians to work, and this is never more important than in challenging economic times. Cuts to DEW's state-funded programs would impact the agency's rural employment services programs which assist rural jobseekers and employers; limit availability of career readiness assessments; impact operations of the second Career Coach for rural outreach and Rapid Response to layoffs, facility closures, and natural disasters; and negatively impact the operations of the Office of Statewide Workforce Development and DEW's staff supporting activities related to the Coordinating Council for Workforce Development. Mandated across-the-board cuts could also negatively administrative support for the Appellate Panel overseeing appeals of DEW determinations related to unemployment benefits or unemployment tax.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

In the event of across-the-board cuts mandated by the Executive Budget Office or the General Assembly, DEW's state funding would not be exempt.

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

**PROPOSED
PROVISO TEXT**

Funds appropriated for the Department of Employment and Workforce shall be excluded from any across-the-board agency base reductions mandated by the Executive Budget Office or General Assembly.

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

Agency Name:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83

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

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan
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AMOUNT	\$244,897 <i>What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.</i>
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ASSOCIATED FTE REDUCTIONS	Unknown at this time <i>How many FTEs would be reduced in association with this General Fund reduction?</i>
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PROGRAM / ACTIVITY IMPACT	Employment Services, Appeals, Coordinated Workforce Development and Regional Workforce Adv. <i>What programs or activities are supported by the General Funds identified?</i>
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SUMMARY	<p>DEW administers statewide work ready program. DEW is responsible for managing the multi-agency workforce and economic development effort, tracking the progress of counties reaching certification levels and providing technical assistance as needed. Public and private sector leaders to include local educators, elected officials, chambers of commerce, economic developers, workforce development boards, government agencies and businesses are the drivers of the program. The impact will equate to administering approximately 600 fewer assessments for job seekers and businesses of South Carolina. DEW will have fewer funds on hand to manage Employment Services, Appeals and Workforce Development programs. Fewer funds will be available to carry out its mission effectively.</p>
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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**

DEW will re-evaluate current contracts, future travel and other spending plans to implement a cost -saving plan. Any savings from implementing a reevaluation would be utilized in an investment into a new strategic initiative within the agency.

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:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE Reducing Burden on Regulated Community

Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS This past fiscal year, DEW made a number of improvements to its unemployment insurance program to improve the experience of the regulated community. DEW strives for continuous improvement, and additional changes are on the way in FY24-25 to make interactions with our agency even easier.

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.

FACTORS ASSOCIATED WITH THE REQUEST

Mark “X” for all that apply:	
<input type="checkbox"/>	Repeal or revision of regulations.
<input type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.
<input checked="" type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.
<input type="checkbox"/>	Other

METHOD OF CALCULATION N/A

Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.

REDUCTION OF FEES OR FINES 2024 marked the eleventh year in a row without an increase in unemployment insurance tax. With a fully solvent and resilient UI Trust Fund balance, South Carolina set the 2024 tax rates to raise approximately the same level of revenue as 2023 and 2022 while lowering rates for classes 2 - 19 by an average of 6% compared to 2023 levels (classes 1 and 20 have rates set by statute).

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 N/A

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

SUMMARY

In the past fiscal year, DEW introduced improvements for employers responding to wage garnishment notices. Employers may now respond electronically, and the wage garnishment request process is also streamlined so that an employer handling garnishments for multiple employees may now make a consolidated payment covering multiple employees rather than mailing individual checks for each of those employees.

DEW has also implemented Act 136 of 2024, which amended Section 41-31-60(B) to provide an exception to allow an employer with an outstanding lien enrolled in an installment plan with DEW to satisfy the debt to pay future quarters over the course of the plan at their normally calculated rate, rather than the class twenty rate of 5.46%, as long as they adhere to the terms of the agreement (failure to pay or submit quarterly wage reports in a timely manner will result in reverting to the class twenty rate). This act, one of DEW’s recommendations in its annual management report, is a win for the state as well as employers: it provides a strong incentive to enroll in a payment agreement, begin paying outstanding debt, and comply with the terms of the agreement while also providing needed relief to employers working in good faith to pay their debts.

Since March 2005, electronic filing of wage reports has been required for employers reporting wages for 100 or more employees, and the vast majority of employers, even those with fewer than 100 employees, were already reporting electronically well prior to FY23-24; however, effective with the quarter ending March 31, 2024, the electronic filing requirement was extended to cover wage reports for all employers reporting wages for 10 or more employees and also include electronic filing for responses to requests for information regarding a claim for benefits. Electronic filing of responses to requests related to unemployment benefits claims speeds adjudication of claims while electronic

filing of wage reports helps employers avoid errors, reduces duplication of previously provided information, and makes the process easier and faster overall.

For individuals filing a claim for unemployment benefits, DEW has launched a pilot program with the United States Postal Service in which individuals can have their identity verified at participating local post offices rather than utilizing existing online options. In addition, to make it even easier for unemployment insurance claimants to track their payment status, DEW began a new direct messaging pilot in April 2024 in which claimants receive notification via text message (if opted in) or email as a confirmation that their weekly certification is being processed for payment that week. This pilot is intended to help claimants track the status of their claim and reduce call volume to maintain low wait times for other calls.

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