

Agency Name:	Administrative Law Court		
Agency Code:	C050	Section:	58



Fiscal Year FY 2026-2027
Agency Budget Plan

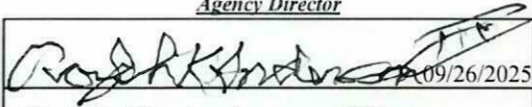
FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS (FORM B1)	For FY 2026-2027, my agency is (mark "X"):	
	☒	Requesting General Fund Appropriations.
	☐	Requesting Federal/Other Authorization.
	☐	Not requesting any changes.
NON-RECURRING REQUESTS (FORM B2)	For FY 2026-2027, my agency is (mark "X"):	
	☐	Requesting Non-Recurring Appropriations.
	☐	Requesting Non-Recurring Federal/Other Authorization.
	☒	Not requesting any changes.
CAPITAL REQUESTS (FORM C)	For FY 2026-2027, my agency is (mark "X"):	
	☐	Requesting funding for Capital Projects.
	☒	Not requesting any changes.
PROVISOS (FORM D)	For FY 2026-2027, my agency is (mark "X"):	
	☐	Requesting a new proviso and/or substantive changes to existing provisos.
	☐	Only requesting technical proviso changes (such as date references).
	☒	Not requesting any proviso changes.

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

PRIMARY CONTACT: SECONDARY CONTACT:	<u>Name</u>	<u>Phone</u>	<u>Email</u>
	Danielle Cox	(803) 734-6414	dcox@scalc.net
	Jana Shealy	(803) 734-6411	jshealy@scalc.net

I have reviewed and approved the enclosed FY 2026-2027 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

SIGN/DATE: TYPE/PRINT NAME:	<u>Agency Director</u>	<u>Board or Commission Chair</u>
	 09/26/2025	
	Ralph K. Anderson, III	

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

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BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Judges and Solicitors Retirement System (JSRS) Employer Contribution	70,000	0	0	0	70,000	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	Salary Increases	243,200	0	0	0	243,200	0.00	0.00	0.00	0.00	0.00
TOTALS			313,200	0	0	0	313,200	0.00	0.00	0.00	0.00	0.00

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FORM B1 – RECURRING OPERATING REQUEST

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

TITLE	Judges and Solicitors Retirement System (JSRS) Employer Contribution
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$70,000 Federal: \$0 Other: \$0 Total: \$70,000
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What is the net change in requested appropriations for FY 2026-2027? 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:	
	☐	Change in cost of providing current services to existing program audience
	☐	Change in case load/enrollment under existing program guidelines
	☐	Non-mandated change in eligibility/enrollment for existing program
	☐	Non-mandated program change in service levels or areas
	☐	Proposed establishment of a new program or initiative
	☐	Loss of federal or other external financial support for existing program
	☐	Exhaustion of fund balances previously used to support program
	☐	IT Technology/Security related
	☒	HR/Personnel Related
	☐	Consulted DTO during development
☐	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark “X” for primary applicable Statewide Enterprise Strategic Objective:	
	☐	Education, Training, and Human Development
	☐	Healthy and Safe Families
	☐	Maintaining Safety, Integrity, and Security
	☐	Public Infrastructure and Economic Development
☒	Government and Citizens	

ACCOUNTABILITY OF FUNDS	The requested funds will be used to pay the Administrative Law Court's annual contribution to the Judges and Solicitors Retirement System .
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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	The requested funds in conjunction with existing budgeted funds for fringe will be paid to PEBA for the Administrative Law Court's annual contribution to the Judges and Solicitors Retirement System.
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FUNDS

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 Administrative Law Court (ALC) currently employs five Administrative Law Judges (ALJs), all of whom are enrolled in the Judges and Solicitors Retirement System (JSRS). Prior to 2023, the ALC paid JSRS employer contributions for four ALJs and South Carolina Retirement System (SCRS) contributions for one retired-in-place judge. Following that judge's departure, a newly elected ALJ assumed office and, pursuant to Section 9-8-40 of the South Carolina Code of Laws, automatically became a JSRS member.

As a result, beginning in FY 2024, the ALC was invoiced for JSRS contributions for five ALJs, representing a notable increase in retirement-related expenditures. The agency has absorbed this additional cost—approximately \$70,000 annually—for three fiscal years using carryforward funds and fringe savings from a vacant position. However, as the agency continues to fill vacant positions, this budgetary flexibility will no longer be available. Without additional funding, the continued obligation to cover increased JSRS contributions may adversely impact the agency's personnel budget and its ability to maintain competitive compensation.

The ALC respectfully requests an increase in recurring appropriations to cover the additional JSRS employer contributions, ensuring continued fiscal stability and support for judicial personnel.

Current JSRS contribution	\$ 111,744.31
Previous SCSR contribution	- \$ 41,870.89
Request of Request -	\$ 69,873.41

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.

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FORM B1 – RECURRING OPERATING REQUEST

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

TITLE	Salary Increases
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$243,200 Federal: \$0 Other: \$0 Total: \$243,200
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What is the net change in requested appropriations for FY 2026-2027? 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:	
	☐	Change in cost of providing current services to existing program audience
	☐	Change in case load/enrollment under existing program guidelines
	☐	Non-mandated change in eligibility/enrollment for existing program
	☐	Non-mandated program change in service levels or areas
	☐	Proposed establishment of a new program or initiative
	☐	Loss of federal or other external financial support for existing program
	☐	Exhaustion of fund balances previously used to support program
	☐	IT Technology/Security related
	☒	HR/Personnel Related
	☐	Consulted DTO during development
	☐	Related to a Non-Recurring request – If so, Priority #

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark “X” for primary applicable Statewide Enterprise Strategic Objective:	
	☐	Education, Training, and Human Development
	☐	Healthy and Safe Families
	☐	Maintaining Safety, Integrity, and Security
	☐	Public Infrastructure and Economic Development
	☒	Government and Citizens

ACCOUNTABILITY OF FUNDS	The requested funds will be used to maintain staff at a competitive compensation level. Competent staff is vital to the agency's mission and objectives to provide fair and impartial hearings for all litigants and to dispose of cases in a timely manner.
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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	The requested fundss will be used to increase the compensation for the Administrative Law Court’s staff.
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FUNDS

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**

Securing adequate funding for employee compensation is essential to maintaining a highly skilled and knowledgeable workforce. Competitive salaries, particularly in comparison to other state agencies and courts, significantly enhance the Administrative Law Court's (ALC) ability to recruit and retain experienced personnel.

Attorneys and administrative staff play a vital role in supporting the Court's operations. Their responsibilities include, but are not limited to, conducting legal research, accepting filing fees, processing deposits, scheduling hearings for OMVH Hearing Officers, and assisting litigants with the e-filing process. These contributions are instrumental in enabling the ALC to fulfill its mission of issuing sound and timely decisions, thereby reducing the time between case filing and disposition. In recent years, the ALC has implemented salary increases that have reduced staff turnover. Nevertheless, there is an ongoing risk that current compensation levels may become noncompetitive, particularly as other state agencies continue to raise salaries to attract and retain qualified employees—especially attorneys. Ensuring that compensation remains competitive for all staff is a critical priority for the agency.

Salary increase amount - \$ 176,200
Associated fringe - \$ 67,000
Request of Request - \$ 243,200

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.

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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	\$163,628
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What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.

ASSOCIATED FTE REDUCTIONS	N/A
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How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM / ACTIVITY IMPACT	The Administrative Law Court (ALC) is a one program agency; therefore, these funds support the entire court, including the Office of Motor Vehicle Hearings (OMVH). Our sole mission and program is to conduct contested cases, appellate and injunctive hearings filed by agencies of citizens of the State, as well as to preside over regulation hearings. As a Court, the ALC does not have direct control over how many cases are filed or the funding option to move around to absorb a general fund reduction; therefore, any reduction in funds has the potential to negatively impact the delivery of due process to the litigants appearing before the ALC and the OMVH.
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What programs or activities are supported by the General Funds identified?

SUMMARY	Approximately 92% of the Administrative Law Court’s (ALC) budget is dedicated to salaries and fringe benefits. Consequently, a 3% reduction in funding—as proposed and calculated by the Executive Budget Office—would have a substantial adverse effect on the Court’s operations. The Court’s essential operating expenses include, but are not limited to, facility rent, court reporting services, computer equipment, office supplies, building security, copiers, postage, and legal research tools such as Westlaw. In the event of a budget reduction, the agency would prioritize cuts to discretionary expenditures such as supplies, shredding services, and printing contingencies. These reductions are expected to have minimal impact on the Court’s core functions. However, further reductions to critical operational costs may impair the Court’s ability to conduct legal research, accurately document hearings, and support staff in the execution of their duties. Such limitations could compromise the Court’s capacity to deliver timely and effective adjudication, thereby affecting the administration of justice.
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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	The Administrative Law Court could reduce the operational costs from the General Funds Appropriations using the Earmarked funds to some operational costs. By changing the funding source for some operating costs, the agency maybe able to save approximately \$50,000 to \$60,000.
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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?