| AGENCY NAME: | Department of Consumer Affairs | | |
|---|---|---|---|
| AGENCY CODE: | R280 | SECTION: | 80 |

# Fiscal Year 2027-28
# Agency Budget Plan

## FORM A - BUDGET PLAN SUMMARY

| | For FY 2027-28, my agency is (mark "X"): | |
|---|---|---|
| **OPERATING REQUESTS** *(FORM B1)* | X | Requesting General Fund Appropriations. |
| | X | Requesting Federal/Other Authorization. |
| | | Not requesting any changes. |

| | For FY 2027-28, my agency is (mark "X"): | |
|---|---|---|
| **NON-RECURRING REQUESTS** *(FORM B2)* | | Requesting Non-Recurring Appropriations. |
| | | Requesting Non-Recurring Federal/Other Authorization. |
| | X | Not requesting any changes. |

| | For FY 2027-28, my agency is (mark "X"): | |
|---|---|---|
| **CAPITAL REQUESTS** *(FORM C)* | | Requesting funding for Capital Projects. |
| | X | Not requesting any changes. |

| | For FY 2027-28, my agency is (mark "X"): | |
|---|---|---|
| **PROVISOS** *(FORM D)* | | Requesting a new proviso and/or substantive changes to existing provisos. |
| | X | 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.

| | *Name* | *Phone* | *Email* |
|---|---|---|---|
| **PRIMARY CONTACT:** | Carri Grube Lybarker | 803-734-4297 | CLybarker@scconsumer.gov |
| **SECONDARY CONTACT:** | Celeste Brown | 803-734-4264 | CBrown@scconsumer.gov |

I have reviewed and approved the enclosed FY 2027-28 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

| | *Agency Director* | *Board or Commission Chair* |
|---|---|---|
| *SIGN/DATE:* | Carri Grube Lybarker 9/22/26 | |
| *TYPE/PRINT NAME:* | Carri Grube Lybarker | |

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

| | |
|---|---|
| Agency Name: | Department Of Consumer Affairs |
| Agency Code: | R280 |
| Section: | 80 |

| BUDGET REQUESTS | | | FUNDING | | | | | FTES | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Priority | Request Type | Request Title | State | Federal | Earmarked | Restricted | Total | State | Federal | Earmarked | Restricted | Total |
| 1 | B1 - Recurring | Salary Adjustments | 20,525 | 0 | 51,434 | 0 | 71,959 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2 | B1 - Recurring | Operating Expenses: Lease & IT | 0 | 0 | 50,000 | 0 | 50,000 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3 | B1 - Recurring | Other Funds FY26 Cost of Living Adjustment | 0 | 0 | 37,805 | 0 | 37,805 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4 | B1 - Recurring | 211 Network | 1,200,000 | 0 | 0 | 0 | 1,200,000 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTALS | | | 1,220,525 | 0 | 139,239 | 0 | 1,359,764 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| | | | |
|---|---|---|---|
| Agency Name: | Department Of Consumer Affairs | | |
| Agency Code: | R280 | Section: | 80 |

# FORM B1 – RECURRING OPERATING REQUEST

**AGENCY PRIORITY**

**1**

*Provide the Agency Priority Ranking from the Executive Summary.*

**TITLE**

**Salary Adjustments**

*Provide a brief, descriptive title for this request.*

**AMOUNT**

**General: $20,525**

**Federal: $0**

**Other: $51,434**

**Total: $71,959**

*What is the net change in requested appropriations for FY 2027-2028? This amount should correspond to the total for all funding sources on the Executive Summary.*

**NEW POSITIONS**

**0.00**

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

**FACTORS ASSOCIATED WITH THE REQUEST**

| Mark "X" for all that apply: | |
|---|---|
| X | Change in cost of providing current services to existing program audience |
| X | 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 |
| X | HR/Personnel Related |
| | AI Related |
| | 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 |
| X | Government and Citizens |

**ACCOUNTABILITY OF FUNDS**

While this request specifically supports 4.3 (Provide an environment of development, retention, and agency mission fulfillment), the increase in funds will allow the agency to fulfill all goals, strategies, and objectives in the FY26 Accountability Report.

*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?*

Full-time Department of Consumer Affairs employees whose performance warrants

| | |
|---|---|
| **RECIPIENTS OF FUNDS** | recognition. |

*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** | DCA is requesting funding to support salary and associated fringe benefit increases for 19 positions, representing approximately 40% of the Department's workforce. The proposed adjustments are intended to recognize employee performance, and ensuring we do so helps the agency not diminish progress made through prior salary adjustments and the increases granted through the Mercer study. The requested salary adjustments have the added benefit of helping move compensation closer to market levels. A review of current compensation indicates that 16 of the 19 positions (84%) are compensated below the Mercer market midpoint, which reflects the market value for comparable positions. Additionally, 11 positions (58%) are paid below the State average salary for their respective job classifications. These disparities place the agency at a competitive disadvantage in attracting and retaining experienced employees. Investing in these staff members performing well stabilizes the workforce, reduces turnover risk (agency turnover increased 6% from FY25), and averts the costs associated with recruiting, hiring, onboarding, and training replacement personnel. Currently, 44% of DCA's staff have five years or less of tenure, creating a steep learning curve across the agency. Approval will allow the Department to reward employees for their contributions and performance with the correlating benefits of maintaining competitive compensation, retaining critical talent, and aligning salaries with market benchmarks. |

*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 Consumer Affairs | | |
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# FORM B1 – RECURRING OPERATING REQUEST

**AGENCY PRIORITY**

**2**

*Provide the Agency Priority Ranking from the Executive Summary.*

**TITLE**

**Operating Expenses: Lease & IT**

*Provide a brief, descriptive title for this request.*

**AMOUNT**

**General: $0**

**Federal: $0**

**Other: $50,000**

**Total: $50,000**

*What is the net change in requested appropriations for FY 2027-2028? This amount should correspond to the total for all funding sources on the Executive Summary.*

**NEW POSITIONS**

**0.00**

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

**FACTORS ASSOCIATED WITH THE REQUEST**

| Mark "X" for all that apply: | |
|---|---|
| X | Change in cost of providing current services to existing program audience |
| X | 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 |
| X | IT Technology/Security related |
| | HR/Personnel Related |
| | AI Related |
| | 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 |
| X | Government and Citizens |

**ACCOUNTABILITY OF FUNDS**

While this increase in funds will allow the Agency to fulfill all goals, strategies, and objectives as set forth in its FY26 Accountability Report as it relates to the agency building lease and technology for provision of services, it specifically supports: 1.1 - Examine regulated industries to determine compliance with applicable laws and regulations, conduct investigations upon receiving probable cause and implement enforcement actions against violators; 1.2 - Receive and expeditiously resolve complaints of individuals pertaining to any consumer transaction arising out of the production, promotion or sale of consumer goods and services; 4.1 -Implement, update and promote technology to assist staff in increasing efficiencies in performing job functions; and 4.3 - Provide an environment that supports staff development, retention and agency mission fulfillment.

*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?*

Department of Consumer Affairs ("DCA") for payment to the lessor of DCA's office

| | |
|---|---|
| **RECIPIENTS OF FUNDS** | space and technology vendor. |

*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 additional authorization is requested to cover the increase in cost of the Department's lease and annual maintenance for the agency's anticipated technology upgrades deploying in FY27.<br><br>Consumer complaints filed with DCA have nearly doubled from FY22 to FY26. In FY26, consumers filed 8,097 complaints, over 2,000 more than the year prior (6,081). This amount constitutes a 99% increase since FY22 (4,053). Throughout this growth, complaints involving homeowners associations remained steady, averaging 8% to 10% of the total volume. During FY22 to FY26, DCA received 26,629 complaints where consumers provided their age. The combined block of 65 and older (65-74; 75-84, 85+) is the largest overall volume driver with 6,186 total complaints (23.24%). The single largest individual age bracket, contributing 5,473 complaints (20.56%), is 35 to 44-year-olds. Middle-aged and younger-senior adults drive the highest volume of complaints, with individuals aged 35 to 64 accounting for over 57% of the total. Identity theft reports skyrocketed in FY25 and FY26 as well. Total reports of those who provided their age went from 244 in FY24 to 605 in FY25 (+147.95%) and peaked at 685 in FY26 (+13.22%). This rise was driven heavily by the 25 to 34, 35 to 44, and 45 to 54 age brackets, which all saw their numbers triple or quadruple during this two-year window. While identity theft reports and complaints come from South Carolinians of all ages, the 65+ category consistently leverages the assistance of DCA on a regular basis.<br><br>With South Carolina's continued population growth, and the projection of the 65+ age category showing the steepest upward trajectory in Revenue and Fiscal Affairs' Office's projection, increased workload will likely remain a challenge to be met in coming years. The Department's online complaint system has assisted with processing times; however, we are seeking to deploy replacement technologies in FY27 to create a streamlined, public-facing system and increase automation for complaint, identity theft, and scam report processing. The system will also assist DCA in tracking regulatory activities that are currently stored in an Access database and various Excel spreadsheets. Non-depository financial institutions and other regulated industries submitted 35,104 filings and applications to the Department in FY26, a slight increase when compared to FY25 (34,690) and a **17% increase** when compared to FY22 (29,945). The system will assist DCA staff with efficiencies anticipated to be passed along to businesses, especially in the area of duration of reviews. The IT vendor bid contains a $25,000 annual maintenance cost for the system.<br><br>The other portion of this operating expense request is for the Department's building lease. DCA moved into a privately-owned office building in FY19. Pursuant to the rental agreement, DCA's monthly payment has increased incrementally each year of occupancy. The amount due during FY28 is $24,951 more than that paid in FY19. In prior years, the cost increases were managed within existing budgets; however, the cumulative increase can no longer be absorbed within existing funding allocations. |

*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 Consumer Affairs | | |
| Agency Code: | R280 | Section: | 80 |

# FORM B1 – RECURRING OPERATING REQUEST

**AGENCY PRIORITY**

**3**

*Provide the Agency Priority Ranking from the Executive Summary.*

**TITLE**

**Other Funds FY26 Cost of Living Adjustment**

*Provide a brief, descriptive title for this request.*

**AMOUNT**

**General: $0**

**Federal: $0**

**Other: $37,805**

**Total: $37,805**

*What is the net change in requested appropriations for FY 2027-2028? This amount should correspond to the total for all funding sources on the Executive Summary.*

**NEW POSITIONS**

**0.00**

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

**FACTORS ASSOCIATED WITH THE REQUEST**

| Mark "X" for all that apply: | |
|---|---|
| X | 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 |
| X | HR/Personnel Related |
| | AI Related |
| | 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 |
| X | Government and Citizens |

**ACCOUNTABILITY OF FUNDS**

The increase in funds will permit the agency to fulfill all goals, strategies, and objectives as set forth in its FY26 Accountability Report.

*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**

Department of Consumer Affairs employees whose compensation is provided via other funds.

| | |
|---|---|
| **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 Department of Consumer Affairs has 27 positions funded by Other Funds. The FY27 budget contains a 2% cost of living increase for State employees. This request covers the increase for Other Fund-funded personnel ($30,244) and the associated impact on fringe ($7,561). |

*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 Consumer Affairs | | |
| Agency Code: | R280 | Section: | 80 |

# FORM B1 – RECURRING OPERATING REQUEST

| | |
|---|---|
| **AGENCY PRIORITY** | **4** |

*Provide the Agency Priority Ranking from the Executive Summary.*

| | |
|---|---|
| **TITLE** | **211 Network** |

*Provide a brief, descriptive title for this request.*

| | |
|---|---|
| **AMOUNT** | **General: $1,200,000**<br>**Federal: $0**<br>**Other: $0**<br>**Total: $1,200,000** |

*What is the net change in requested appropriations for FY 2027-2028? This amount should correspond to the total for all funding sources on the Executive Summary.*

| | |
|---|---|
| **NEW POSITIONS** | **0.00** |

*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 |
| X | Exhaustion of fund balances previously used to support program |
| | IT Technology/Security related |
| | HR/Personnel Related |
| | AI Related |
| | 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 |
| X | Government and Citizens |

**ACCOUNTABILITY OF FUNDS**

This request supports strategy 1.3 - Promote the interests of consumers before the Legislature, Governor, and regulatory agencies - from the Department of Consumer Affairs FY26 Accountability Report.

*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**

2026 Act No. 126, effective July 1, 2026, requires the Department of Consumer Affairs to contract with the state's established 211 lead entity for services. The United Way Association of South Carolina is the established entity with whom the Department

| | |
|---|---|
| **FUNDS** | contracted with and would receive the 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** | S.C. Code Ann. § 37-6-720 (as enacted by 2026 Act 126) ("Act") transferred administrative oversight of the South Carolina 211 Network - the single point of coordination for information and referral for health and human services, including disaster recovery assistance - to the Department effective July 1, 2026. The Act requires the Department to contract with the state's established 211 lead entity for the continuation of statewide 211 services. United Way Association of South Carolina ("UWASC") is the established lead entity as the nonprofit has continuously operated the infrastructure of the statewide 211 dialing code since its inception over 25 years ago. UWASC maintained the 211 Network without a state partnership since the dissolution of the Budget & Control Board and cannot financially support all functions of the system on its own.<br><br>During Hurricane Helene, the 211 Network's in-house call center failed. While the Network offers services via text and online, consumers often interact with UWASC through phone calls. According to the UWASC 2025 Annual Report, the organization received 101,979 calls that year, a 7% increase over those received in 2024. During the same time period, the UWASC website had 323,626 visits with 162,359 correlating guided result seaches and 11,000 consumers communicated via text. The 2026-2027 Appropriations Act provided non-recurring, general funds in the amount of $1.2 million to support the 211 Network and enable UWASC to provide a call-in option to consumers. This request seeks to make the funding a recurring appropriation. If funds are not received, UWASC will operate the 211 Network without a live call center. |

*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 Consumer Affairs | | |
| Agency Code: | R280 | Section: | 80 |

# FORM D – PROVISO REVISION REQUEST

| | |
|---|---|
| **NUMBER** | 80.1 |
| | *Cite the proviso according to the renumbered list (or mark "NEW").* |
| **TITLE** | Consumer Protection Code Violations Revenue |
| | *Provide the title from the renumbered list or suggest a short title for any new request.* |
| **BUDGET PROGRAM** | II. Legal |
| | *Identify the associated budget program(s) by name and budget section.* |
| **RELATED BUDGET REQUEST** | |
| | *Is this request associated with a budget request you have submitted for FY 2027-2028? If so, cite it here.* |
| **REQUESTED ACTION** | Codify |
| | *Choose from: Add, Delete, Amend, or Codify.* |
| **OTHER AGENCIES AFFECTED** | N/A |
| | *Which other agencies would be affected by the recommended action? How?* |
| **SUMMARY & EXPLANATION** | Authorizes DCA to retain all funds paid in the resolution of cases involving statutes enforced by the department and to use the retained funds to offset costs. This Proviso has been in effect for over 20 years. It received a minor clarification amendment in the FY18 Appropriations Act and has remained largely unchanged. Retention and carry forward of these funds is critical to DCA being able to carry out its duties under its respective statutes. Currently, other funds constitute approximately 54% of the agency's budget. |

*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**

Provide "other funds" to the Department in an approximate amount of $417,000. This is the average amount received during the past three fiscal years. The number varies from year to year dependent on the amount and gravity of enforcement actions resulting in fines and penalties. DCA's primary goals in enforcement are on obtaining credits, refunds and adjustments for consumers and correcting internal business operations to avoid future occurrences as opposed to seeking penalties.

*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**

No changes.

Funds, paid to the department in resolution of cases involving violations of the South Carolina Consumer Protection Code and other statutes enforced by the department be retained and expended within the agency’s budget to help offset the costs of investigating, prosecuting, and the administrative costs associated with these violations, may be carried forward and expended for the same purposes in the current fiscal year.

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

| | | | |
|---|---|---|---|
| Agency Name: | Department Of Consumer Affairs | | |
| Agency Code: | R280 | Section: | 80 |

# FORM D – PROVISO REVISION REQUEST

| | |
|---|---|
| **NUMBER** | 80.2 |
| | *Cite the proviso according to the renumbered list (or mark "NEW").* |
| **TITLE** | Expert Witness/ Assistance Carry Forward |
| | *Provide the title from the renumbered list or suggest a short title for any new request.* |
| **BUDGET PROGRAM** | IV. Advocacy |
| | *Identify the associated budget program(s) by name and budget section.* |
| **RELATED BUDGET REQUEST** | |
| | *Is this request associated with a budget request you have submitted for FY 2027-2028? If so, cite it here.* |
| **REQUESTED ACTION** | Codify |
| | *Choose from: Add, Delete, Amend, or Codify.* |
| **OTHER AGENCIES AFFECTED** | N/A |
| | *Which other agencies would be affected by the recommended action? How?* |
| **SUMMARY & EXPLANATION** | Authorizes DCA to carry forward unexpended funds appropriated for the expert witness/assistance program. This Proviso has been in effect for over 20 years, with a minor FY22 amendment that permits DCA to retain funding to offset costs for the Advocacy program, even when such funds were not encumbered during the prior fiscal year. |

*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**

Carry forward funds retained by DCA would vary from year to year depending on the amount and complexity of ratemaking proceedings.

*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**

No changes.

Unexpended appropriated funds for the Consumer Advocacy expert witness/assistance program (under Section 37-6-603) may be carried forward into the current fiscal year and expended 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 Consumer Affairs | | |
| Agency Code: | R280 | Section: | 80 |

# FORM D – PROVISO REVISION REQUEST

| | |
|---|---|
| **NUMBER** | 80.3 |

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

| | |
|---|---|
| **TITLE** | Registered Credit Grantor Notification and Maximum Rate Filing Fees Retention |

*Provide the title from the renumbered list or suggest a short title for any new request.*

| | |
|---|---|
| **BUDGET PROGRAM** | I. Administration, II. Legal, III. Services |

*Identify the associated budget program(s) by name and budget section.*

| | |
|---|---|
| **RELATED BUDGET REQUEST** | |

*Is this request associated with a budget request you have submitted for FY 2027-2028? If so, cite it here.*

| | |
|---|---|
| **REQUESTED ACTION** | Codify |

*Choose from: Add, Delete, Amend, or Codify.*

| | |
|---|---|
| **OTHER AGENCIES AFFECTED** | N/A |

*Which other agencies would be affected by the recommended action? How?*

| | |
|---|---|
| **SUMMARY & EXPLANATION** | Authorizes DCA to retain funds collected under Chapters 2, 3 and 6 of Title 37 to cover operational costs and to carry forward such funds. This Proviso was first adopted in 2009-2010 Appropriations Act as a revision to a similar Proviso that had been in effect since 2004-2005.<br><br>The Proviso was updated in 2018-2019 Appropriations Act as portions were previously codified and the Department proposed referencing Chapters instead of sections to permit retention of all filing fees collected therein and avoid the need to amend the proviso as amendments or codification occurs.<br><br>Retention and carry forward of these funds is critical to DCA being able to carry out its duties under its respective statutes. Currently, other funds constitute approximately 54% of the agency's budget. |

*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**

Provide "other funds" to the Department in an approximate amount of $536,000. This amount is based on the average fees collected over the past three fiscal years for the credit grantor notification program and the motor vehicle closing fee program.

*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**

No changes.

The Department of Consumer Affairs may retain all filing fees collected under Chapters 2, 3 and 6, Title 37. These fees shall be used to offset the cost of administering and enforcing Title 37 and may be applied to the cost of operations. Unexpended balances may be carried forward for the prior fiscal year into the current fiscal year and be utilized for the same purposes.

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

| | | | |
|---|---|---|---|
| Agency Name: | Department Of Consumer Affairs | | |
| Agency Code: | R280 | Section: | 80 |

# FORM D – PROVISO REVISION REQUEST

| | |
|---|---|
| **NUMBER** | 80.4 |
| | *Cite the proviso according to the renumbered list (or mark "NEW").* |
| **TITLE** | Retention of Fees |
| | *Provide the title from the renumbered list or suggest a short title for any new request.* |
| **BUDGET PROGRAM** | II. Legal |
| | *Identify the associated budget program(s) by name and budget section.* |
| **RELATED BUDGET REQUEST** | |
| | *Is this request associated with a budget request you have submitted for FY 2027-2028? If so, cite it here.* |
| **REQUESTED ACTION** | Codify |
| | *Choose from: Add, Delete, Amend, or Codify.* |
| **OTHER AGENCIES AFFECTED** | N/A |
| | *Which other agencies would be affected by the recommended action? How?* |
| **SUMMARY & EXPLANATION** | Authorizes DCA to retain funds collected under Chapter 61, Title 39 (Motor Club Services); Chapter 39, Title 40 (Pawnbrokers) and Chapter 79, Title 44 (Physical Fitness Services) for program implementation. This Proviso was first adopted in 2010-2011 Appropriations Act and was amended annually solely to update the fiscal year, until the date was removed in FY15.<br><br>Retention of these funds is critical to DCA being able to carry out its duties under the delineated statutes. Currently, other funds constitute approximately 54% of the agency's budget. |

*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**

Provide "other funds" to the Department in the approximate amount of $219,000. This amount is based on the average monies received from the Pawnbroker, Physical Fitness and Motor Club programs during the last three fiscal years.

*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**

No changes.

For the current fiscal year, the department may retain all fees collected pursuant to Sections 39-61-80, 39-61-120, 40-39-120, and 44-79-80. The funds retained shall be utilized to implement the requirements of the programs mandated by those sections of the code.

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

| | | | |
|---|---|---|---|
| Agency Name: | Department Of Consumer Affairs | | |
| Agency Code: | R280 | Section: | 80 |

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

| | |
|---|---|
| **TITLE** | Agency Cost Savings and General Fund Contingency Plan |
| **AMOUNT** | $75,812<br>*What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.* |
| **ASSOCIATED FTE REDUCTIONS** | N/A. The Department has experienced upward trends in business and consumer filings over the past five fiscal years (Regulatory filings-+17%; Consumer complaints- +99%; Identity theft reports- +110%).<br>*How many FTEs would be reduced in association with this General Fund reduction?* |
| **PROGRAM / ACTIVITY IMPACT** | All programs- employee training and travel<br><br>Public Information and Education Division; Identity Theft Unit; Legal Division - educational material printing, outreach campaigns<br><br>*What programs or activities are supported by the General Funds identified?* |
| **SUMMARY** | The Department of Consumer Affairs (DCA) receives most of its funding through other funds (54%), with personnel services (salaries and fringe benefits) accounting for approximately 80% of the agency's total budget. We currently have 48 FTE positions as compared to our pre-reduction in force (FY10) allocation of 68 FTEs. DCA is not in a position to delete any FTE positions, thus a 3% general fund reduction would be absorbed by cutting operating expenses in the areas of travel and education. Averages provided below are based on expenditures incurred over the past three fiscal years.<br><br>DCA would reduce or otherwise eliminate training opportunities and related travel for agency attorneys, investigators and other staff. The impact would be a potential lack of knowledge/keeping abreast of changes in Federal laws applicable to the regulatory statutes the agency administers and enforces, including Truth in Lending and mortgage related laws. On average over the past three fiscal years, DCA expended approximately $39,000 on travel expenses annually.<br><br>DCA has the duty of counseling consumers and businesses on their rights and responsibilities under consumer protection laws. Agency consumer and business information campaigns often include printed materials, media buys and statewide presentations. Reducing these items would result in a reduction of compliance and knowledge of consumer protection laws, negatively impacting the consumer credit marketplace. South Carolinians would become more susceptible to scams and identity theft due to a lack of outreach. According to the Federal Bureau of Investigation's 2025 Internet Crimes Report, cyber-enabled crimes alone resulted in over $260 million in losses for South Carolinians last year. Further, South Carolina's rapidly expanding 65+ population represents a demographic that is disproportionately targeted for financial exploitation. From FY22-FY26, consumers aged 65 and older accounted for 45.86% of identity theft losses and more than 61% of total scam losses reported to the Department. On average, DCA expends $35,000 in general funds for printing of consumer and business education publications and $9,000 in postage for delivery of educational materials to consumers, businesses, law enforcement, Councils on Aging and other partners each year. |

*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**

N/A

*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?*

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|---|---|---|---|
| Agency Name: | Department Of Consumer Affairs | | |
| Agency Code: | R280 | Section: | 80 |

# FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

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|---|---|
| **TITLE** | New Technology: Regulatory Activities, Complaints, Identity Theft, and Scam Reports |

*Provide a brief, descriptive title for this request.*

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| **EXPECTED SAVINGS TO BUSINESSES AND CITIZENS** | Streamlined regulatory activities technology will result in faster turnarounds for DCA staff, and decreased timeframes for business reviews.<br><br>Consumers will have access to a more streamlined system to submit consumer complaints, identity theft, and scam reports. Increased automation will permit faster processing and provision of assistance by DCA. |

*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:** |
|---|---|
| | Repeal or revision of regulations. |
| | Reduction of agency fees or fines to businesses or citizens. |
| X | Greater efficiency in agency services or reduction in compliance burden. |
| | Other |

| | |
|---|---|
| **METHOD OF CALCULATION** | Use of agency accountability reports, comparison with prior technologies implemented and associated results. Data from underlying programs and population projections. |

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

| | |
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| **REDUCTION OF FEES OR FINES** | N/A |

*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?*

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| **REDUCTION OF REGULATION** | N/A |

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

| | |
|---|---|
| **SUMMARY** | DCA' s current complaint system has been in operation for 11 years. It has provided a great benefit to DCA staff, consumers, and responding businesses with over 88% of complaints being filed online in FY26; however, the Department is seeking to deploy a new, updated system with more functionality to assist in decreasing administrative work, decreasing processing times in spite of increased workloads, and provide similar efficiencies for other consumer filing programs. Consumer complaints filed with DCA have nearly doubled when comparing FY22 numbers to FY26. In FY26, consumers filed 8,097 complaints, a **33% increase over the year prior** (6,081). This amount constitutes a **99% increase** since FY22 (4,053). Complaints involving homeowners associations remained steady, averaging 8% to 10% of the total volume. In addition to complaints, DCA takes reports related to, and provides tailored guidance/assistance to victims of, identity theft and scams and currently uses an Access database to intake, work, and track these reports that come in via email, mail and telephone. Identity theft reports skyrocketed in FY25 and FY26. Total reports of those who provided their age went from 244 in FY24 to 605 in FY25 (**+147.95%**) and peaked at 685 in FY26 (+13.22%). While identity theft reports and complaints come from South Carolinians of all ages, the combined age block of 65 and older (65-74; 75-84, 85+) consistently leverages the assistance of DCA on a regular basis accounting for over 45% of scam reports, 24% of complaints, and 23% of identity theft reports filed with the Department from FY22-FY26. With South Carolina's continued population growth, and the projection of the 65+ age category showing the steepest upward trajectory in Revenue and Fiscal Affairs' Office's projection, increased workload will likely remain a challenge to be met in coming years. DCA is looking to roll out a comprehensive module for intake, working, tracking, and reporting for complaints, identity theft reports, and scam reports. The system will streamline processes, increase automation and result in faster turnaround times, |

consumer assistance, and ability for the agency to tackle the upward trend in filings.

DCA licenses and regulates sixteen different industries. The licensing operations are currently performed using a customizable off-the-shelf online system with a web-facing interface for external users. SCDCA's investigators conduct various regulatory activities involving licensed and unlicensed businesses and individuals. Each year, the investigators engage in approximately 550 routine activities plus investigations and specials/complaints as needed. These duties are currently tracked using an Access database and various Excel spreadsheets. DCA is seeking to deploy a comprehensive module for preparing, conducting, working, tracking, and reporting activities. Non-depository financial institutions and other regulated industries submitted 35,104 filings and applications to the Department in FY26, a slight increase when compared to FY25 (34,690) and a **17% increase** when compared to FY22 (29,945). The system will assist DCA staff with efficiencies anticipated to be passed along to businesses, especially in the area of duration of the activity.

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