Agency Name:	Department Of Labor, Licensing & Regulation		
Agency Code:	R360	Section:	81

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"):	
	X	Requesting General Fund Appropriations.
	X	Requesting Federal/Other Authorization.
		Not requesting any changes.

NON-RECURRING REQUESTS (FORM B2)	For FY 2026-2027, my agency is (mark "X"):	
	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.
	X	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).
	X	Not requesting any proviso changes.

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

	Name	*Phone*	*Email*
PRIMARY CONTACT:	Reshma Parikh	(803) 896-4320	reshma.parikh@llr.sc.gov
SECONDARY CONTACT:	Victoria Tyler	(803) 896-4331	victoria.tyler@llr.sc.gov

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

	Agency Director	*Board or Commission Chair*
SIGN/DATE:		
TYPE/PRINT NAME:		

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

Agency Name:	Department Of Labor, Licensing & Regulation
Agency Code:	R360
Section:	81

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Other and Federal authorization to extend statewide 2% increase to Other and Federal FTEs	0	55,522	1,086,185	0	1,141,707	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	DTO Shared Services (O365/Managed Desktops)	1,908,024	0	0	0	1,908,024	0.00	0.00	0.00	0.00	0.00
3	B2 - Non-Recurring	LLR IT Shared Services Implementation – Non-recurring Costs and DTO Shared Services (0365/Managed Desktops)	2,578,357	0	0	0	2,578,357	0.00	0.00	0.00	0.00	0.00
4	B1 - Recurring	Professional & Occupational Licensing – Operating Expenses Authorization	0	0	1,127,034	0	1,127,034	0.00	0.00	0.00	0.00	0.00
5	B1 - Recurring	New FTE Authorization	0	0	700,300	0	700,300	0.00	0.00	6.00	0.00	6.00
6	B1 - Recurring	Firefighter Cancer Health Care Benefit Plan - Authorization for Increased Cancer Premium	725,000	0	0	0	725,000	0.00	0.00	0.00	0.00	0.00
7	B1 - Recurring	Education and Research Fund	0	0	300,000	0	300,000	0.00	0.00	0.00	0.00	0.00
TOTALS			5,211,381	55,522	3,213,519	0	8,480,422	0.00	0.00	6.00	0.00	6.00

Agency Name:	Department Of Labor, Licensing & Regulation		
Agency Code:	R360	Section:	81

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	1

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	**Other and Federal authorization to extend statewide 2% increase to Other and Federal FTEs**

Provide a brief, descriptive title for this request.

AMOUNT	**General: $0** **Federal: $55,522** **Other: $1,086,185** **Total: $1,141,707**

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

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
		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
	X	Public Infrastructure and Economic Development
		Government and Citizens

ACCOUNTABILITY OF FUNDS	This request supports all four goals of LLR's strategic plan to: Promote a positive business climate, efficient use of public resources, and protect the public by licensing and registering qualified and competent individuals and businesses for the authorized practice of regulated professions. Champion workplace safety, health, and legal compliance through compliance assistance, education, training, and enforcement of occupational safety and health, immigration, wages, and child labor. Serve as a statewide leader in minimizing fire loss and death, providing comprehensive and safe training for South Carolina's fire and emergency services, and responding to state emergencies and disaster-related events. Maximize organizational excellence and effectiveness to improve the quality of customer service in all programs through efficient delivery of administrative support. This request advances all strategies by increasing LLR's competitiveness in the labor market and helping to retain capable employees to serve the State of South Carolina.

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

| **RECIPIENTS OF FUNDS** | The recipient of these funds will be Agency employees through their compensation package. LLR will retain the employer's share of the fringe benefits contributions.

These funds will be allocated to all Administration and Programs & Services employees and the South Carolina Public Employee Benefit Authority (PEBA). |
| --- | --- |

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 Other and Federal Authorization is being requested in association with the increases below in FY 2025-26:

• Base Pay increase (2.00% or an increase to the minimum of the new pay grade, which ever was greater, for FTEs) including related employer contributions. |
| --- | --- |

	2% Increase	Fringe increase (49%)	Total
Federal	$37,263	$18,259	$55,522
Other	$753,903	$332,282	$1,086,185

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 Labor, Licensing & Regulation		
Agency Code:	R360	Section:	81

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	**2**

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	**DTO Shared Services (O365/Managed Desktops)**

Provide a brief, descriptive title for this request.

AMOUNT	**General: $1,908,024** **Federal: $0** **Other: $0** **Total: $1,908,024**

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**

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
	X	IT Technology/Security related
		HR/Personnel Related
	X	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
	X	Maintaining Safety, Integrity, and Security
		Public Infrastructure and Economic Development
		Government and Citizens

ACCOUNTABILITY OF FUNDS	The requested recurring operating funds will be managed by LLR Finance in coordination with the Division of Technology and Security.

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	Department of Administration Division of Technology Operations (DTO).

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 recurring funds are requested for annual operating expenses following the migration to DTO Shared Services in the Steady State environment. The below recurring costs have been provided by DTO.	

Virtual Server (2 CPU/4 GB RAM)	$326,797
Server Support – Bronze	$123,258
Server Storage – Tier 1	$45,215
Server Storage – Tier 1 (Network Drive)	$4,080
Data Backup, per GB	$46,544
Server Storage – Tier 2	$17,784
Citrix Remote Access Licensing	$1,140
SQL Server – per 2 core – Yearly	TBD
TierPoint Disaster Recovery**	$131,548
Cloud Computing	$10,485
Workstation Support – Standard	$728,568
Mobile Device Management	$18,984
Microsoft Licensing (365, Defender, etc.)	$244,345
Defender O365P1 GCC Sub	$11,069
Entra ID P2	$935
Exchange Online P2	$413
M365 G5 IP & Governance	$363
Defender Endpoint	$62
Power Automate Premium	$182
Azure DevOps Server	$70
Visual Studio Pro w/Giti-Hub	$3,088
Internet 500 Mbps	$24,780
MetroNet 500 Mbps	$17,808
Firewall VDOM – Mid-Small	$14,788
Firewall VDOM – Medium	$8,009
Layer 3 Customer Edge Switch Support	$15,380
Access Switch Support	$66,646
Wireless Device Support	$9,844
VPN	TBD
Dark Fiber	$3,840
Microsoft Defender Licensing	$32,000
Total:	$1,908,024

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 Labor, Licensing & Regulation		
Agency Code:	R360	Section:	81

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	4

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	**Professional & Occupational Licensing – Operating Expenses Authorization**

Provide a brief, descriptive title for this request.

AMOUNT	**General: $0** **Federal: $0** **Other: $1,127,034** **Total: $1,127,034**

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

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

	Mark "X" for all that apply:	
FACTORS ASSOCIATED WITH THE REQUEST	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
	X	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 #

	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	X	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	This request supports the goal of LLR's strategic plan to: Promote a positive business climate, efficient use of public resources, and protect the public by licensing and registering qualified and competent individuals and businesses for the authorized practice of regulated professions.

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	The recipient of these funds is the Lexington Richland Alcohol and Drug Abuse Council's South Carolina Recovering Professional Program, a third party that provides counseling for addiction and other mental health issues for certain professional licensees.

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	Part of the Agency's mission is to protect the public through effective oversight of professional and occupational licensing. Sometimes the reason for unprofessional conduct of a licensee is because of addiction or mental health issues. A recovering professional program ensures that individuals struggling with substance use, mental health or other impairments can recover safely while maintaining accountability. It safeguards the public from potential harm while supporting the professional's return to safe practice. Ensuring the Agency's licensing boards have a place to send licensees with these issues is essential to public safety.

The Agency contracts with a third party to provide these vital services to the licensing boards and their licensees. The program coordinates a licensee's assessment and evaluation, develops and maintains a comprehensive monitoring system for a professional with potentially impairing conditions, and supports them in their recovery efforts. The program is designed to support rehabilitation from substance use disorder and mental health issues, including, but not limited to, depression, anxiety, and job-related burnout, in order to ensure participants are able to successfully remain in practice in a manner that protects the public. The program also assists in providing early assessment, intervention, education, and referral for issues related to substance use disorder and mental health. The contract terms require the program to offer a participant web-based portal through which all remote participant interaction occurs, 24/7 crisis intervention resources, trained and qualified staff to handle a minimum of 550 program participants annually, an on-staff Medical Director, a Medical Review Committee, reporting and statistical analysis, and attendance and testimony at board meetings and as requested by the boards. The qualifications-related requirements include extensive past experience in monitoring and rehabilitating impaired health professionals with substance use problems, references, physical presence in South Carolina, and compliance with all related laws.

The previous contract with Lexington Richland Alcohol and Drug Abuse Council (LRADAC) expired on June 30, 2025, so the Agency worked with the State Fiscal Accountability Authority, Division of Procurement Services, to solicit bids for a new recovering professional program for an additional five years. The contract was again awarded to LRADAC in the amount of $11,775,227 for a five (5) year period from July 2025 to June 2030. LRADAC was the only bid received.

The cost of the new contract has increased by approximately 91%. Specifically, for FY26, the RPP contract cost is $2,355,045, which is an increase of $1,127,034 from previous fiscal years. During the solicitation process, the Agency and SFAA requested an explanation for the significant increase in cost. LRADAC provided that prior to 2020, RPP participation was intended for licenses with an impairing or potentially impairing substance use disorder. Between 2020 and 2025, RPP participation had expanded to include participants with substance use disorders, mental health disorders, and professional misconduct. RPP participants were also presenting with significantly increased complexity of issues compared with the past. Often, licensees having co-occurring mental health and substance abuse disorders that need to be addressed to facilitate a safe return to practice. This is a national trend among professional health programs. There has also been significant growth in telemedicine, where a participant is licensed in multiple states or transfers to a different state and this requires complex coordination with other states' professional monitoring programs.

The increase in complexity and scope of work and the increased communication with the Agency requested included in the contract translated to additional workload for LRADAC staff, which thus translated to the need for additional staff to support the contract. The increase in staff is the primary source for the contract increase.

Accordingly, LLR is requesting an increase in spending authorization for additional other recurring funds of $1,127,034.40 for FY27, which is for the difference or increase in price of the contract. |

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 Labor, Licensing & Regulation		
Agency Code:	R360	Section:	81

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	5

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	New FTE Authorization

Provide a brief, descriptive title for this request.

AMOUNT	**General: $0** **Federal: $0** **Other: $700,300** **Total: $700,300**

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	6.00

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

	Mark "X" for all that apply:	
FACTORS ASSOCIATED WITH THE REQUEST	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
	X	HR/Personnel Related
		Consulted DTO during development
		Related to a Non-Recurring request – If so, Priority #

	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES		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 all four goals of LLR's strategic plan to: Promote a positive business climate, efficient use of public resources, and protect the public by licensing and registering qualified and competent individuals and businesses for the authorized practice of regulated professions. Champion workplace safety, health, and legal compliance through compliance assistance, education, training, and enforcement of occupational safety and health, immigration, wages, and child labor. Serve as a statewide leader in minimizing fire loss and death, providing comprehensive and safe training for South Carolina's fire and emergency services,and responding to state emergencies and disaster-related events. Maximize organizational excellence and effectiveness to improve the quality of customer service in all programs through efficient delivery of administrative support. As provided in greater detail below, this request provides FTEs to support the identified divisions with expanded capabilities, development of systems, the improvement of timeliness and efficiency of services, enhanced customer service, maximized operational effectiveness, and support the overall increase in the demand of services for the Agency.

The Agency's Human Resources Office (HR) will evaluate the use of the requested funds. HR will ensure that the requested FTEs are paid reasonable compensation for the job description provided by these programs.

RECIPIENTS OF FUNDS	The recipient of these funds will be the Agency employees through their compensation package. LLR will retain the employer's share of fringe benefit contributions. The funds (Personal Services and Employer Contributions) will be allocated as follows: Office of State Fire Marshal – FTE Authorization (1 FTE); Division of Professional and Occupational Licensing – FTE Authorization (1 FTE); Division of Technology and Security (2 FTEs); and Division of Legal Services and Enforcement - FTE Authorization (2 FTEs).

Applications Developer II – AM09 (2 FTE Positions). The Division of Technology and Security (DOTS) supports all Agency divisions and functions with technology and security including, but not limited to, systems analysis, web content, online applications and renewals, and the development of systems and programs. Specifically, DOTS has internally developed and programmed a wide variety of systems for licensing and investigation activities, financial transactions, human resources functions, and the State Fire portal system. The internal development of these programs has saved the Agency and State a significant amount of financial resources, rather than having to outsource the work. The Agency is requesting two additional FTEs to assist with both the maintaince and continued development of systems and portals for the benefit of Agency programs, which in turn benefits the citizens of South Carolina with enhanced services and reailzed fiscal savings. Both requested FTEs will work on ReLAES (Regulation, Licensing, and Enforcement System), which is the internally developed system LLR uses to track licensing, compliance, and enforement issues. One developer will focus on customer service enhancements related to the licensing side of ReLAES and the eService portal. Examples of the developments includes integrating AI processing into the initial application process for applicants and the creation of a chat feature on the public website that allow customers (applicants and licensees) to interact with the system after proper authentication. This developer will also assist in reworking the reporting features within the licensing system to better serve internal staff needs. The second developer will focus on ReLAES and processes specific to complaint and compliance, which has unique functional and data structure needs with case management. Complaints filed against licensees have risen and currently, DOTS does not have a developer that solely focuses on the complaint and investigative side of RELAES. This additional position would complete work such as developing report capabilities, modifying the Online Complaint system, and integrating ReLAES with State Fire's licensing and complaint system. As part of the FTE requests, the Agency is requesting an increase in authorization for the use of classified personnel funds commensurate with the salary and fringe for the positions.

Investigator IV – JA20 (1 FTE). The Office of Elevators and Amusement Rides is within the Division of Professional and Occupational Licensing (POL). The Office of Elevators and Amusement Rides is responsible for administering the S.C. Elevator Code and Regulations, the Amusement Rides Safety Code and Regulations, and the S.C. Bungee Safety Code. This Office licenses special inspectors who handle all annual inspections of elevators and amusement rides. LLR is responsible for completing random audits of amusement rides and elevators after they are inspected by special inspectors. LLR also has the responsibility to inspect all new elevators and existing elevators that have been altered. LLR currently has six (6) employees who complete the inspection duties for new elevators and existing elevators with alterations. There are currently 15,518 elevators statewide, and the Agency issued 798 amusement ride permits. An additional FTE is being requested due to the increase, and anticipated continued increase, in business and construction throughout the State, which leads to the installation of new elevators and the alteration of existing elevators. Specifically, between FY24 and FY25, LLR saw an 11% increase in permits for new elevators and a 23% increase in permits for alterations to existing elevators. Due to the complexity of each inspection and travel time, typically only one (1) inspection can be completed per day. Many initial inspections fail, which necessitates a return for a follow-up inspection, which can take 2 to 3 weeks given the volume of permits. The request for an additional employee to complete inspections, as well as work related to amusement rides, would significantly help with the workload for improved and shortened timeframes for the completion of the permits and inspections.

Engineer/Associate Engineer III – HD70 (1 FTE Position). South Carolina Code Statute 40-10-260 (B) and (C) provides that the South Carolina State Fire Marshal's Office is responsible for reviewing the plans for fire protection sprinkler systems and other relevant documents to ensure designs meet the requirements of relevant fire codes and standards. To comply with the requirements of this statute, the Office of State Fire Marshal employs Engineers to review and approve specifications and design plans. The Engineering Section also provides technical assistance and consultation to design professionals, contractors, and other stakeholders regarding safety requirements. The statute allows the Engineering Section 30 days to complete the review of a submitted plan. However, the Agency's internal deadline is a goal of 12 days. This shortened review time is due to State Fire's recognition that the timelier and more efficient a plan can be reviewed and approved, the sooner the work of construction and renovations can move forward. This past fiscal year, the Engineering Section received its highest number of proposed plan reviews from the prior 10 years, and the number of plan reviews has increased 20% from FY22 to FY25. In addition to the increase in quantity, the complexity of the requested projects and plan reviews has increased. It is exciting that our

JUSTIFICATION OF REQUEST

State has experienced an increase in manufacturing facilities being constructed and/or renovated. Many of these involve new technologies, hazardous materials, and other challenges that are outside the normal or traditional scope of existing codes and standards. This requires the Engineering Section to spend additional hours researching, reviewing, studying, and evaluating plans. With this additional time, the review period has increased to an average of 15 days. To provide exceptional customer service to South Carolinians and businesses, the Agency is requesting an additional FTE for the Engineering Section. This will help maintain and improve the timeliness and efficiency of the workload, while keeping up with the increase in demand, both in plan review numbers and complexity. As part of the FTE request, the Agency is requesting an increase in authorization for the use of classified personnel funds commensurate with the salary and fringe for the position.

Attorney III - AE30 (1 positions) and Paralegal – AE03 (1 position). The Division of Legal Services and Enforcement has responsibilities of receiving, investigating and administratively prosecuting complaints received against licensees. Specifically, the Office of Disciplinary Counsel (ODC) is responsible for assisting with investigations and providing legal representation for the Agency with the administration of disciplinary cases and with the preparation of emergency orders. Due to the growth in population and business, the State continues to see a steady increase in licensees, with a 13% increase in the past five years. With more licensees, there is a corresponding increase with the number of complaints filed of alleged misconduct. While all complaints received are not ultimately assigned to an attorney, the increase in complaints increases the work of the attorneys to advise, assist, and collaborate with the investigative team. For complaints that are assigned to disciplinary counsel, the Agency has seen a 38% increase in opened cases in the past fiscal year. Many of the complaints are related to licensing boards with complicated and detailed issues such as accountancy, residential builders, real estate, nursing, medical examiners, pharmacy, and counselors, which takes significant legal research, review and preparation. In addition to the rise in actionable disciplinary cases, the Agency has seen an increase in the need to prepare emergency orders, such as orders requiring the immediate evaluation of a licensee or a temporary suspension order. Due to the urgency and sensitivity of these matters, these situations require immediate intervention as the concerns about the behavior of the licensee, either related to their scope of practice or other personal behavior, could endanger citizens and additional work is needed for response. LLR is requesting the addition of one (1) Attorney IIIs to serve as disciplinary counsel to assist with avoiding aged cases, to work on newly assigned cases, and to prepare and respond to the increase in temporary and/or emergency orders. LLR is also requesting one (1) Paralegal to provide technical and legal support services for these attorneys to include drafting pleadings, consent agreements, drafting form documents, files and hearing preparation, and assisting counsel in maintaining contact with respondents, witnesses and attorneys associated with the cases.

Job Classification	Pay Grade	Anticipated Salary	Fringe (49%)	Total
HD70 – Engineer/Associate Engineer III (1 position)	GEN11	$90,000	$44,100	$134,100
JA20 – Investigator IV (1 position)	GEN09	$90,000	$44,100	$134,100
AM09 – Application Developer II (2 positions)	TEC04	$140,000	$68,600	$208,600
AE30 - Attorney III (1 Position)	GEN12	$95,000	$46,550	$141,550
AE03 - Paralegal (1 Position)	GEN08	$55,000	$26,950	$81,950
Total		$470,000	$230,300	$700,300

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 Labor, Licensing & Regulation		
Agency Code:	R360	Section:	81

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	**6**

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	**Firefighter Cancer Health Care Benefit Plan - Authorization for Increased Cancer Premium**

Provide a brief, descriptive title for this request.

AMOUNT	**General: $725,000** **Federal: $0** **Other: $0** **Total: $725,000**

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**

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
		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
	X	Healthy and Safe Families
		Maintaining Safety, Integrity, and Security
		Public Infrastructure and Economic Development
		Government and Citizens

ACCOUNTABILITY OF FUNDS	This request supports goal three of LLR's strategic plan to serve as a statewide leader in minimizing fire loss and death, providing comprehensive and safe training for South Carolina's fire and emergency services, and responding to state emergencies and disaster-related events.

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	To administer the Firefighter Cancer Health Care Benefit Plan to provide a supplemental cancer insurance policy.

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 Firefighter Cancer Health Care Benefit Plan provides a supplemental insurance policy upon an eligible firefighter being diagnosed with cancer. It was established per Act 168 of 2019-2020 (R165, S1071) which amended the Code of Laws of South Carolina by adding Section 23-9-197. The program is administered through the Office of State Fire Marshal (OSFM), which is under the administration of LLR's Division of State Fire. The program was initially funded through a $3,500,000 appropriation from the General Fund to purchase the policy and cover the costs of the annual premium. Insurance premiums for the current fiscal year have increased, necessitating a budget adjustment to cover the new costs. The program will enter a new five-year contract on July 1, 2026. The total projected cost for the insurance premium for FY 2027 is $4,225,000, which exceeds the current budget appropriation of $3,500,000. The requested $725,000 increase is essential to cover the shortfall and ensure uninterrupted coverage for eligible firefighters. Due to increase in the cost of the Firefighter Cancer Policy, LLR is requesting a recurring General Fund appropriation increase of $725,000 to cover the anticipated increase in the policy for FY2027.

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 Labor, Licensing & Regulation		
Agency Code:	R360	Section:	81

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	7

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	**Education and Research Fund**

Provide a brief, descriptive title for this request.

AMOUNT	**General: $0** **Federal: $0** **Other: $300,000** **Total: $300,000**

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

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
	X	Non-mandated program change in service levels or areas
	X	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
		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:**	
	X	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	This request supports the goal of LLR's strategic plan to: Promote a positive business climate, efficient use of public resources, and protect the public by licensing and registering qualified and competent individuals and businesses for the authorized practice of regulated professions. Licensing boards request spending that supports research and education that benefits the profession per the relevant licensing board's practice act. SC Code Ann. §§ 40-3-255, 40-22-245, 40-57-70(C). Any such spending request is subject to the Agency's fiscal responsibility and oversight (SC Code Ann. § 40-1-50) and is ultimately accountable to the General Assembly with statutorily required spending reports. SC Code Ann. §§ 40-3-255(B), 40-22-245(B), 40-57-70(C)(2).

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	The recipient of these funds will be certain professional licensees, as well as the public who benefit from better educated and supported licensees in the various professions.

JUSTIFICATION OF REQUEST	State law authorizes the South Carolina Board of Architectural Examiners, the South Carolina Board of Professional Engineers and Surveyors, and the South Carolina Real Estate Commission to allocate up to ten dollars ($10) from each renewal fee to an Education and Research Fund. These funds are used exclusively to support education, research, and professional advancement activities for licensees. Current law limits total spending authorization to $200,000, shared among the three boards. An increase in authorization is necessary to allow the boards to fully utilize the funds already collected and available. The requested increase would not require new appropriations or fee adjustments but would simply enable the boards to spend existing resources on valuable programs to support education and research activities that directly benefit licensees, the regulated community, and the public. For example, the Board of Professional Engineers and Surveyors is in its second year of a pilot program funding exam fees for students enrolled in EAC/ABET-accredited engineering programs at South Carolina public universities who may pursue licensure as professional engineers or surveyors. This initiative has increased student participation in the National Council of Examiners for Engineering and Surveying (NCEES) exams and the board anticipates that trend to continue. The South Carolina Real Estate Commission is developing a multi-year plan to create new continuing education and remediation courses, expand pre-licensing resources, and improve outreach to licensees.

Agency Name:	Department Of Labor, Licensing & Regulation		
Agency Code:	R360	Section:	81

FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	3

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	LLR IT Shared Services Implementation – Non-recurring Costs and DTO Shared Services (O365/Managed Desktops)

Provide a brief, descriptive title for this request.

AMOUNT	$2,578,357

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.

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
	X	IT Technology/Security related
	X	Consulted DTO during development
		HR/Personnel Related
	X	Request for Non-Recurring Appropriations
		Request for Federal/Other Authorization to spend existing funding
		Related to a 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
	X	Maintaining Safety, Integrity, and Security
		Public Infrastructure and Economic Development
		Government and Citizens

ACCOUNTABILITY OF FUNDS	This request supports each goal of LLR's strategic plan, with the Agency's planned migration to the use of Shared Services with DTO. This migration includes active directory management, email services, extended Office 365 services, network management, virtual server management, data back-up services, enterprise storage management, firewall management, managed workstation services, and mobile device management. The requested funds will be managed by LLR Finance in coordination with the Division of Technology and Security.

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	The recipient of these funds will be contractors and vendors selected by DTO.

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?

	These funds are requested as one-time, non-recurring costs to pay DTO for LLR's migration to the Shared Services platform enhanced technologies, security, business continuity and operational efficiencies for the Agency. The below one-time costs provided by DTO will be incurred in FY26-27. Third-party Migration (Technologent) $1,900,360

JUSTIFICATION OF REQUEST	Third-party Migration (Deloitte) $100,000
	Migration Infrastructure Licensing $57,237
	Admin Professional Services $250,000
	Sub-total One-Time Costs $2,307,597
	Contingency (10%) $270,760
	Total: $2,578,357

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 Labor, Licensing & Regulation		
Agency Code:	R360	Section:	81

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

TITLE	Reduction in Agency Travel

AMOUNT	$342,165

What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.

ASSOCIATED FTE REDUCTIONS	n/a

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

PROGRAM / ACTIVITY IMPACT	Program II.B. Occupational Safety & Health Program - General Funds are used as required match for Federal Funds received for the SC OSHA Program.

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

SUMMARY	LLR's General Fund appropriation under this program is used as matching funds for the Occupational Safety and Health Administration (OSHA) State Fund Grant. The reduction would impact operating expenditures, supplies, and travel. LLR would use revenue collected under Program II.F Professional Occupational Licensing as authorized by Proviso 81. 7 to supplement the reduced funding.

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 Agency is moving forward with the implementation of digital licenses for several licensing boards. Licensees of selected boards will soon receive a link to download and print their license, a change that has already proven successful with a couple of boards. This transition, when applied to our largest boards, is expected to result in significant cost savings of more than $50,000 in ink, paper, shipping materials, and postage. We are confident in our ability to continue these efforts from FY2025 and FY2026 onwards, building on our past successes.

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?