

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



**Fiscal Year FY 2024-2025
 Agency Budget Plan**

FORM A - BUDGET PLAN SUMMARY

**OPERATING
 REQUESTS
 (FORM B1)**

For FY 2024-2025, my agency is (mark "X"):	
<input checked="" type="checkbox"/>	Requesting General Fund Appropriations.
<input checked="" type="checkbox"/>	Requesting Federal/Other Authorization.
<input type="checkbox"/>	Not requesting any changes.

**NON-RECURRING
 REQUESTS
 (FORM B2)**

For FY 2024-2025, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting Non-Recurring Appropriations.
<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
<input checked="" type="checkbox"/>	Not requesting any changes.

**CAPITAL
 REQUESTS
 (FORM C)**

For FY 2024-2025, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting funding for Capital Projects.
<input checked="" type="checkbox"/>	Not requesting any changes.

**PROVISOS
 (FORM D)**

For FY 2024-2025, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
<input checked="" type="checkbox"/>	Not requesting any proviso changes.

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

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	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 2024-2025 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	<u>Agency Director</u>	<u>Board or Commission Chair</u>
SIGN/DATE:	<i>Carri Grube Lybarker</i>	<i>David Campbell 9/20/23</i>
TYPE/PRINT NAME:	<i>Carri Grube Lybarker</i>	David Campbell

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

Agency Name:	<u>Department Of Consumer Affairs</u>
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	Personnel Retention	63,903	0	81,273	0	145,176	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	Outreach Coordinator and Investigator	142,643	0	0	0	142,643	2.00	0.00	0.00	0.00	2.00
3	B1 - Recurring	Other Funds FY24 Cost of Living Adjustment	0	0	110,825	0	110,825	0.00	0.00	0.00	0.00	0.00
4	B1 - Recurring	Expert Witness Funding	175,000	0	0	0	175,000	0.00	0.00	0.00	0.00	0.00
TOTALS			381,546	0	192,098	0	573,644	2.00	0.00	0.00	0.00	2.00

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

FORM B1 – RECURRING OPERATING REQUEST

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

TITLE	Personnel Retention
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$63,903 Federal: \$0 Other: \$81,273 Total: \$145,176
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What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

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

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

ACCOUNTABILITY OF FUNDS	<p>While this request specifically supports 4.3 (Provide an environment of development, retention, and agency mission fulfillment) this increase in funds will allow the agency to fulfill all goals, strategies, and objectives as set forth in the FY23 Accountability Report.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF	<p>Full-time Department of Consumer Affairs employees whose compensation is identified as deficient as based on the agency's internal salary study or performance.</p>
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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

DCA is requesting recurring funding in the amount of \$145,176 to implement targeted personnel salary adjustments to reduce turnover and remain competitive with other state agencies, as well as county and local government. This request includes retention and merit increases. In the last three fiscal years, DCA has struggled with high turnover rates (FY23 – 17%; FY22 – 21%; FY20 – 15%). The ability to provide performance increases is paramount to staff retention.

The average salary for DCA attorneys is below the state government average and the statewide averages for attorneys as provided by the Bureau of Labor Statistics for 2022. The average years of state service for DCA's attorneys is 13 years, which is double state average years of service for the same job class codes. DCA's consumer complaint analysts and program assistants also fall below the state average for similar positions with the same job class code and the average annual salary of a sister state agency holding the same positions. DCA also saw an increase in workload with regard to regulatory filings, consumer complaints, and identity theft reports. Additional agency support positions do not meet the state average threshold either. Overall, being able to adequately compensate staff for performance of job duties is essential to DCA being able to recruit and retain qualified individuals, enabling the accomplishment of the agency's goals and mission. While we have high employee satisfaction (FY23 100%), pay seems to, at times, trump a healthy work culture.

Furthermore, the ability to replace staff has grown more difficult. In 2019, DCA received an average of 84 applications per vacancy posting. Since that time, however, the average number of applicants per posting has dropped nearly 75%, with calendar year 2023 having an average of only 21 applicants per posting thus far.

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
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Outreach Coordinator and Investigator
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$142,643 Federal: \$0 Other: \$0 Total: \$142,643
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What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	2.00
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Please provide the total number of new positions needed for this request.

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

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

ACCOUNTABILITY OF FUNDS	<p>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.</p> <p>2.2- Interpret and explain statutes under the agency's jurisdiction in a fair manner, balancing the interests of consumers with those businesses acting honestly and fairly.</p> <p>3.1- Engage in traditional educational efforts to decrease consumer risks and increase industry compliance.</p> <p>3.2- Actively seek out media attention and cultivate relationships with media stakeholders.</p> <p>3.3- Increase public awareness through digital media and alternative, cost-effective methods.</p> <p>4.3- Provide an environment that supports staff development, retention and agency mission fulfillment.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS

New Outreach Coordinator and Investigator employed by DCA once FTEs and funding are secured.

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 has over 120 statutes under its jurisdiction, the majority regulating the consumer credit marketplace. Within this framework, we administer and enforce laws pertaining to 15 specific industries involving non-depository financial institutions. Over the past several years, filings have steadily increased. The number of filings and applications has increased 19% since FY19.

The Public Information Coordinator II (Outreach Coordinator) will assist in fulfilling a core component of DCA's mission to educate consumers and businesses on their rights and responsibilities under the law. With the increase in licensees mentioned above, as well as increase in general presentation requests from the public, a focused FTE to foster presentations and partnerships is key. Further, a continued challenge for DCA is public awareness of the services we provide, which this position will serve to increase. In FY20 we gave 181 presentations. In FY21 we did 107 presentations, 157 in FY22, and a total of 151 in FY23. We need an additional employee to focus the majority of their time and energy to being the outreach "boots on the ground" to sustain this effort, participate on multiple committees of which DCA is a part and actively steer new partnerships / focused outreach efforts.

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	3
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Other Funds FY24 Cost of Living Adjustment
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$0 Federal: \$0 Other: \$110,825 Total: \$110,825
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What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

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

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

ACCOUNTABILITY OF FUNDS	This increase in funds will allow the agency to fulfill all goals, strategies, and objectives as set forth in its FY23 Accountability Report.
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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	Department of Consumer Affairs employees whose compensation is provided via other funds.
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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 Department of Consumer Affairs has 26 FTEs supported by other funds. The FY24 State Budget included a \$2,500 bump in pay for employees who make less than \$50,000 and a 5% cost of living increase for those making more than \$50,000. The requested amount covers the increase for classified personnel funding (\$77,500) and related impact on fringe (\$33,325).

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	4
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Expert Witness Funding
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$175,000 Federal: \$0 Other: \$0 Total: \$175,000
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What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

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

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

ACCOUNTABILITY OF FUNDS	<p>This increase in funds will allow the Agency to fulfill the goal of effectively administering and enforcing laws assigned to the Department to protect consumers as well as performance measures 1.3.1-1.3.3 related to DCA's advocacy in ratemaking and price-fixing matters.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF	DCA's expert witnesses and consultants.
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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

Prior to January 1, 2005, the Department had authority to intervene in matters filed with the Public Service Commission. At one point, the Advocacy Division housed 8 FTEs and had other operating funds upwards of \$240,000. When the ability to intervene in utility rate filings was transferred, the Advocacy Division continued to fulfill the remaining job functions set forth in the Consumer Protection Code, including intervening in insurance rate filing matters and representing consumer interests in state and federal rulemaking processes. Currently, the Division houses 3 FTE positions and has other operating funds of \$260,000.

H4375 (2018) reinstated DCA's role in utility interventions. Since 2019 we have intervened in 13 rate-related cases, approximately 3.5 per year on average. A large utility case costs the agency approximately \$110,000 to intervene in. However, we must limit our involvement in the matters to 1-3 issues due to funding. The additional funds will allow us to hire additional expert witnesses and consultants per case to address more issues presented or allow us to intervene in an additional 3-4 cases per year, or a combination of the two.

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

TITLE	Consumer Protection Code Violations Revenue
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Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM	II. Legal
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	N/A
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Is this request associated with a budget request you have submitted for FY 2024-2025? If so, cite it here.

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

OTHER AGENCIES AFFECTED	N/A
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>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 55% of the agency's budget.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

Provide "other funds" to the Department in an approximate amount of \$200,000. 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
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Cite the proviso according to the renumbered list (or mark "NEW").

TITLE	Expert Witness/ Assistance Carry Forward
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Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM	IV. Advocacy
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	N/A
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Is this request associated with a budget request you have submitted for FY 2024-2025? If so, cite it here.

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

OTHER AGENCIES AFFECTED	N/A
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>Authorizes DCA to carry forward unexpended funds appropriated for the expert witness/assistance program. This Proviso has been in effect 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.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

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

TITLE	Registered Credit Grantor Notification and Maximum Rate Filing Fees Retention
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Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM	I. Administration, II. Legal, III. Services
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	N/A
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Is this request associated with a budget request you have submitted for FY 2024-2025? If so, cite it here.

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

OTHER AGENCIES AFFECTED	N/A
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>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.</p> <p>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.</p> <p>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 55% of the agency's budget.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

Provide "other funds" to the Department in an approximate amount of \$555,000. 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. We anticipate the number will be reduced for FY25 and beyond, however, due to a 2023 amendment to the motor vehicle closing fee statute making filings perpetual. As such, we anticipate the amount collected for that program will be reduced from the \$20,000 three year fiscal year average to approximately \$7500, reducing the approximate amount to be collected between both programs to \$547,500.

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 of the 1976 Code. 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.

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FORM D – PROVISO REVISION REQUEST

NUMBER	80.4
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Cite the proviso according to the renumbered list (or mark "NEW").

TITLE	Retention of Fees
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Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM	II. Legal
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	N/A
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Is this request associated with a budget request you have submitted for FY 2024-2025? If so, cite it here.

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

OTHER AGENCIES AFFECTED	N/A
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>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.</p> <p>Retention of these funds is critical to DCA being able to carry out its duties under the delineated statutes. Currently other funds constitute approximately 55% of the agency's budget.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

Provide "other funds" to the Department in the approximate amount of \$155,000. 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 of the 1976 Code. 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.

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.

N/A

**AGENCY COST
SAVINGS PLANS**

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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FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	OnBase Project and Additional Technology
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Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	Businesses will spend less time submitting regulatory filings, reduce paper processes and mailing costs. DCA will be able to process filings faster with less data entry, reduce storage costs and streamline data retention and reporting. Consumers will have access to a more streamlined system to submit consumer complaints, scam reports and identity theft reports. DCA will be able to process filings within set timeframes.
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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	<p>Mark “X” for all that apply:</p> <table border="1"> <tr> <td><input type="checkbox"/></td> <td>Repeal or revision of regulations.</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Reduction of agency fees or fines to businesses or citizens.</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Greater efficiency in agency services or reduction in compliance burden.</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Other</td> </tr> </table>	<input type="checkbox"/>	Repeal or revision of regulations.	<input checked="" type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.	<input checked="" type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.	<input type="checkbox"/>	Other
<input type="checkbox"/>	Repeal or revision of regulations.								
<input checked="" type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.								
<input checked="" type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.								
<input type="checkbox"/>	Other								

METHOD OF CALCULATION	Use of agency accountability reports, comparison with prior technologies implemented and associated results. Data analytics from underlying programs.
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Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.

REDUCTION OF FEES OR FINES	<p>DCA does not have the ability to adjust licensing fees on its own authority, a power given other agencies in the regulation of non-depository financial institutions. The availability of online programs and ease of use, however, will likely reduce fines for late filings. We will be using OnBase initially for preneed funeral contract processing. S.C. Code Ann. §32-7-50(C)(1) requires preneed funeral contract providers submit contracts entered into to the Department within sixty days of the last day of the month when the contract was sold. Late filing results in a penalty of ten dollars per contract. In FY22, DCA collected approximately \$12,000 in these penalties.</p>
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Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?

REDUCTION OF REGULATION	N/A
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

	<p>The Department has employed new technologies to increase efficiencies for all customers and lessen business burden over the past few years. DCA regulates 15 different industries and now all licensing/ registration programs administered by DCA are now live on the agency’s online licensing database. The use of technology has enabled staff to provide more expedient and efficient services. Non-depository financial institutions and other regulated industries submitted 30,349 filings and applications in FY23, nearly 400 more than FY22 (29,945) and over 3,000 more than FY21 (27,209) and FY20 (26,799). The Licensing System, however, has enabled staff to process 95% within thirty days of receipt. This was a major feat in FY23 as we had a difficulty of retaining and hiring licensing examiners. DCA has four positions that process the majority of the 30,000 filings received. During FY23, one of the positions had a vacancy rate of 93.4% and another 31.5%. High user adoption of our online licensing system (CALAS) exceeded expectations and contributed to this accomplishment.</p> <p>Now DCA is turning to other paper filing processes that occur outside of licensing/ registration processes. We are leveraging the state contract with OnBase to create a preneed contract filing system. Providers/ Licensees will be able to create a contract within the system and submit it, and corresponding payment, online. The system will also generate filing reminders if a contract was created, but not submitted within the statutory timeframe. DCA receives approximately 8,000 contracts annually and must store the contracts until fulfilled. The system will reduce data entry and store contracts</p>
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SUMMARY

digitally, permitting staff to easily search for records that can be deleted. Reports from the system will also assist in compliance reviews. The System is anticipated to be completed in FY24, with FY25 being the first full year of operations.

An increase also occurred with the number of consumer complaints filed with DCA during the same time periods. In FY23, consumers filed 5,378 complaints, a 36% increase over FY22 (4,053) and significantly higher than the amount received in FY21 (3,933) and FY20 (3,407). The Department's online complaint system assisted with processing times, however we are seeking to contract for and deploy additional technologies to increase automation. The changes will serve to ensure necessary information from the consumer is received on the front-end and reduce administrative work of staff.

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